Capt. Hansford L. Threlkeld, Thirtieth Infantry, to be major from September 13, 1914, vice Maj. John S. Switzer, Fourth Infantry, detailed as adjutant general.

Capt. Peter W. Davison, Thirteenth Infantry, to be major from September 15, 1914, vice Maj. Armand I. Lasseigne, Fifth Infantry, promoted.

First Lieut. John Randolph, Twenty-third Infantry, to be captain from September 11, 1914, vice Capt. Joseph H. Griffiths, unassigned, dismissed September 10, 1914.

First Lieut. Harry Graham, Twenty-second Infantry, to be captain from September 13, 1914, vice Capt. Hansford L. Threlkeld, Thirtieth Infantry, promoted.

APPOINTMENTS IN THE ARMY.

MEDICAL RESERVE CORPS.

To be first lieutenants with rank from September 15, 1914.

Charles Edgar Athey, of Ohio.
George Busby Campbell, of New York.
Carey Pratt McCord, of Michigan.
Charles Joseph McDevitt, of Ohio.
Samuel Archer Munford, of New York.
David Daniel Scannel, of Massachusetts.
Francis Eppes Shine, of Arizona.
John William Turner, of Missouri.
Merlon Ardeen Webber, of Maine.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. Commander David W. Todd to be a commander in the Navy from the 1st day of July, 1914.

Lieut. William W. Galbraith to be a lieutenant commander in the Navy from the 1st day of July, 1914.

Lieut. John V. Babcock to be a lieutenant commander in the Navy from the 1st day of July, 1914.

Lieut. (Junior Grade) Damon E. Cummings to be a lieutenant in the Navy from the 1st day of July, 1914.

Lieut. (Junior Grade) Warren G. Child to be a lieutenant in the Navy from the 1st day of July, 1914.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1914:

Ward W. Waddell,
Jesse D. Oldendorf, and
James B. Rutter.

Midshipman William E. Malloy to be an ensign in the Navy from the 6th day of June, 1914.

Charles W. Depping, a citizen of Massachusetts, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 2d day of September, 1914.

Lieut. Joseph L. Hileman to be a lieutenant commander in the Navy from the 1st day of July, 1914.

Lieut. (Junior Grade) John W. W. Cumming to be a lieutenant in the Navy from the 3d day of April, 1914.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of July, 1914:

Augustin T. Beauregard, and
Herbert S. Babbitt.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1914:

Lee P. Johnson,
Robert G. Coman,
Robert H. Bennett,
Vance D. Chapline, and
Joseph A. Murphy.

Ervin L. Matthews, a citizen of Arkansas, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 11th day of September, 1914.

Robert L. Nattkemper, a citizen of Indiana, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 11th day of September, 1914.

Machinist John W. Merget to be a chief machinist in the Navy from the 23d day of December, 1913.

Arthur Freeman, a citizen of Kentucky, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 11th day of September, 1914.

Fredric L. Conklin, a citizen of Michigan, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 11th day of September, 1914.

A. Contee Thompson, a citizen of Colorado, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 11th day of September, 1914.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 17 (legislative day of September 16), 1914.

COMMISSIONER OF INTERIOR OF PORTO RICO.

Manuel V. Domenech to be commissioner of interior of Porto Rico.

SECRETARY OF PORTO RICO.

Martin Travieso, jr., to be secretary of Porto Rico.

REGISTER OF LAND OFFICE.

A. P. Tone Wilson, jr., to be register of the land office at Topeka, Kans.

COLLECTOR OF CUSTOMS.

James L. McGovern to be collector of customs for district No. 6.

PROMOTIONS IN THE NAVY.

Chaplain John B. Frazier to be captain.
Chaplain George L. Bayard to be commander.
Chaplain Arthur W. Stone to be commander.
Chaplain Matthew C. Gleeson to be commander.
Chaplain Evan W. Scott to be commander.
Ensign Henry F. Bruns to be assistant civil engineer.
Ensign Bert M. Snyder to be assistant civil engineer.
Ensign Willis A. Lee, jr., to be lieutenant (junior grade).
Ensign Theodore S. Wilkinson, jr., to be lieutenant (junior grade).
Ensign Harold S. Burdick to be lieutenant (junior grade).

POSTMASTERS.

ARKANSAS.

Charles McBride Cox, Rector.
Mrs. C. A. Harris, Junction City.

CALIFORNIA.

L. E. Payne, Carmel.

ILLINOIS.

George L. Hausmann, Vandalia.

INDIANA.

H. C. Rutledge, Indiana Harbor.

KENTUCKY.

Otis W. Jackson, Clinton.
A. G. Patterson, Pineville.

LOUISIANA.

Martha E. Thompson, Winnsboro.

MISSISSIPPI.

W. W. Robertson, McComb.

MONTANA.

James Bartley, Fort Benton.

NEW MEXICO.

L. L. Burkhead, Columbus.

OHIO.

J. O. Shaw, Newcomerstown (late New Comerstown).

OKLAHOMA.

P. H. Dalby, Ramona.
Charles L. Williams, Maysville.

TEXAS.

R. G. Brown, sr., Longview.

VIRGINIA.

S. S. Brooks, Appalachia.
F. G. Johnson, Toms Creek.
Frederick A. Lewis, Emporia.

WASHINGTON.

Leonard Talbott, Toppenish.

WEST VIRGINIA.

W. G. Bayliss, Macdonald.

HOUSE OF REPRESENTATIVES.

THURSDAY, *September 17, 1914.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

In the simplicity of faith and confidence, O God our Father, we lift up our hearts in gratitude to Thee for all the blessings of life. "Thou satisfieth the longing soul and filleth the hungry soul with goodness." May we ever be susceptible to the heavenly influences and go forward to all the duties and responsibilities of life as seemeth best in Thy sight, through Jesus Christ our Lord. Amen.

The journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

The SPEAKER laid before the House the following request:

Mr. SPEAKER: My colleague, Mr. GREGG, asks an indefinite leave of absence, on account of sickness in his family.

Respectfully, JAMES L. SLAYDEN.

The SPEAKER. Without objection, it is so ordered.
There was no objection.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below.

S. J. Res. 184. Joint resolution making an appropriation for expenses necessary to carry out the provisions of the act to regulate the taking or catching of sponges, approved August 15, 1914; to the Committee on Appropriations.

EXPLORATION FOR COAL, ETC.

The SPEAKER. Under the rule the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 16136, and the gentleman from New York [Mr. FITZGERALD] will take the chair. The gentleman from Indiana [Mr. ADAIR] will take the chair in the temporary absence of the gentleman from New York.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 16136, with Mr. ADAIR in the chair:

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 16136) to authorize the exploration for and disposition of coal, phosphate, oil, gas, potassium, or sodium.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 8. That in order to provide for the supply of strictly local and domestic needs for fuel, the Secretary of the Interior may, under such rules and regulations as he may prescribe in advance, issue to any applicant qualified to obtain a lease under section 3 of this act, a limited license or permit granting the right to prospect for, mine, and dispose of coal belonging to the United States on specified tracts, not to exceed 10 acres in any one coal field, for a period of not exceeding 10 years, on such conditions, not inconsistent with this act, as in his opinion will safeguard the public interest, without payment of royalty for the coal mined or for the land occupied: *Provided*, That in the case of municipal corporations the Secretary of the Interior may issue such limited license or permit, for not to exceed 160 acres, upon condition that such municipal corporations will mine the coal therein under proper conditions and dispose of the same without profit: *And provided further*, That the acquisition or holding of a lease under the preceding sections of this act shall be no bar to the acquisition of such tract or operation of such mine under said limited license.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. It was the understanding that we were to have the privilege of offering amendments to section 7, and the Clerk hastily began with the reading of section 8. I wish to direct the Chairman's attention to a formal amendment similar to that which was agreed to in the Alaska coal bill. The same phraseology obtains in this bill as in that where you provide for a rental of not less than 25 cents per acre the first year, but the language is rather ambiguous whether it is to be less for the second and succeeding years or whether it is a fixed amount.

Mr. FERRIS. Would the gentleman be willing to let that go to the end of the bill and then return to it? I am in favor of the gentleman's amendment and will ask unanimous consent to do that if the gentleman does not object.

Mr. STAFFORD. Of course the matter is entirely satisfactory to me.

Mr. FERRIS. I shall be glad to make that request if that will be satisfactory to the gentleman.

Mr. STAFFORD. It will be entirely satisfactory to me.

I wish to make a further inquiry as to the pending section. Here you are permitting, as I understand it, an authorization for a period of not exceeding 10 years to any local community which wishes to use coal for their own special purposes. I wish to inquire why was it that the committee limited that to 10 years? Why should it not be for a longer period of time if the Secretary of the Interior really believes it is needed for local purposes?

Mr. FERRIS. The thought of the committee was—and it is likewise the thought of the Bureau of Mines and the Geological Survey—that in sparsely settled communities in some instances there are coal banks where a farmer can go with a wagon and dig coal out and use it for domestic uses; and in neighborhoods in Utah, and in some of those States where they have a nonresident homestead, where people live in communities, they can go and open a coal bank and use the coal for domestic uses; and it was the thought of the department, and I have in my hand a letter from the Bureau of Mines and the Geological Survey, both of which say they think this is a very good provision, and will help communities which are struggling for an opportunity to open up the West. They did not see where there was any chance for fraud in opening up the coal banks for domestic use.

Mr. STAFFORD. I wish to direct the attention of the committee to a further provision granting the right to a municipal corporation to mine on an area not to exceed 160 acres under proper conditions, such as the Secretary may impose, and one of those conditions is that it should not be for profit. I certainly approve of that condition. I certainly believe a municipal corporation when the coal fields are contiguous to the municipality should have the privilege of mining coal without paying any rentals or royalty, provided they will give the inhabitants of the municipality the privilege of the coal without any profit to it.

Mr. FERRIS. If the gentleman will yield—really the author of that provision is the gentleman from Colorado [Mr. TAYLOR], and his views are fortified and backed up both by the Bureau of Mines and the Geological Survey. Let me read to the gentleman what the Geological Survey says about that particular proviso. If the gentleman will pardon me, I just wish to read him a word or two.

This proviso can not possibly result in driving away commercial development. The acreage is limited to 160 acres, which can not under any circumstances permit of large-scale operations. It merely permits communities to relieve their fuel necessities by means of their own action in the absence of a reasonable or satisfactory source of supply. It is anticipated that both under this proviso and the main portion of the section that the operations will only be in advance of the development on a large scale by coal companies. That is the only reason for the inclusion of such provisions. Otherwise unreasonable and unnecessary hardship might result.

Let me call the attention of the gentleman that in some instances a coal company owns the only mines that are open near a city, and they charge exorbitant prices to the city, which is compelled to have coal. This is a club in their hands to exact justice. This will help a community get justice.

We have a right to let the city lease the 160-acre tract for municipal purposes without royalty and without charge when a city can not force the coal companies to sell them coal at a decent price. May I add a word more——

The CHAIRMAN. The time of the gentleman has expired.

Mr. FERRIS. I ask unanimous consent, Mr. Chairman, that the gentleman from Wisconsin [Mr. STAFFORD] have five minutes more. I used all his time myself.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the gentleman from Wisconsin have five minutes more. Is there objection?

There was no objection.

Mr. FERRIS. It says further:

The operation of a small mine on 160 acres would not scare away any commercial development at a time when increasing density of population and industrial development would justify the expenditures involved in opening up a lease on 2,560 acres.

I have here practically the same data, though stated in different words, from the Geological Survey, and they call attention to the fact that it is a very salutary provision.

Mr. STAFFORD. As I understand the explanation, it is not for the purpose of granting to a municipality a small rate in order that they may operate in case the private companies are holding up the consumers in that municipality at an exorbitant price? It is not intended that this is for the municipality to go into the coal-mining business as such?

Mr. FERRIS. It is really thought they never will, but they could if necessity demanded.

Mr. STAFFORD. And it is on the principle that the Government should have some municipal plants of their own to see what the cost of operation is and keep down the profits in case the private contractor is exacting too large a profit for supplies to the Government?

Mr. FERRIS. That was the thought of both the department and the committee.

Mr. MADDEN. Will the gentleman yield?

Mr. FERRIS. I gladly yield to the gentleman.

Mr. MADDEN. Do I understand the committee to report in favor of all the municipalities in the neighborhood where coal mines can be developed going into the coal business in competition with legitimate enterprise?

Mr. FERRIS. They only go into competition to this extent, and that is that they can mine and furnish the community coal without any profit to themselves or the municipality.

Mr. MADDEN. If there is any other way that the committee could devise to prevent men who have money invested in business from getting anything for their labor and investment I would like to have them make it known, because they have been very assiduous in their efforts to put the Government in competition with every legitimate enterprise, and are now proposing to put the States and towns and cities into business and discourage private enterprise everywhere. It looks to me as if we might just as well abandon this conservation legislation altogether as to try to get men with money to invest in Government-

owned mineral lands with the Government in competition with them. There is no surer way of getting that result than by opening up the field of business to every city and every community where mineral lands lie. The next thing we know we will have no means of getting revenue with which to run the Government. Everything will be owned and operated by the municipalities, by the Government itself, and the citizenship of the country will have no place in the country except to be used to pay the taxes for the tax eaters that will be on the Government pay rolls.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. STAFFORD] has expired.

Mr. MADDEN. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. In Alaska the committee recommended, and the House adopted, the scheme by which the Secretary of the Interior has the right to fix the price at which coal can be had under lease or royalty. Then they proposed to fix the price at which a man who pays the royalty could sell the coal to the consumer, and thus make it sure that he can not operate his business profitably.

Mr. FERRIS. We did not adopt that.

Mr. MADDEN. You did not adopt it, but you recommended it.

Mr. FERRIS. We did not have that in the bill.

Mr. MADDEN. But the gentleman was in favor of that kind of a law, and others who were associated with him were in favor of it, and it just so happened that the good sense of the House overruled the judgment of the committee, and on top of all that the bill authorized the Government of the United States to operate coal mines and sell coal to the public in competition with the men who are to pay the royalty to the Government and who are paying taxes to maintain the Government. What are we coming to? Have we any consideration for the man engaged in private enterprise in this country any more? Have they any place in the citizenship of the country any longer or are we just trying to see how we can drive them off the face of the earth?

The time is coming when all these vagaries will be sat down upon, and that time is not far distant. The people of the United States will not continue to submit to this kind of nonsense. They have a right to expect, when they select men to speak for them here, that such men will speak for them along reasonable and conservative lines. They expect their representatives here to protect their rights, to conserve their interests, to protect their investments, not destroy them, nor to use them merely as instrumentalities to fill the Treasury of the United States for the purpose of feeding a lot of job holders. They expect to have something to say about this Government. They are the Government; they have the power; and when any man on this floor says that the people of the United States are not a conservative people and will not insist upon having something to say about the conduct of the Government, and will not resent the Government itself going into competition with them on any and every pretext, he is greatly mistaken.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. MADDEN. Yes; I yield.

Mr. JOHNSON of Washington. I want to know if the gentleman has seen the latest invitation for bids in the Forestry Service for several million feet of timber in the Kiabab Reservation in Arizona, where it is suggested that the Government, in order to handle that timber, should be gainer if it builds a $3,000,000 railroad?

Mr. MADDEN. We have entered upon the practice of building railroads. We have authorized the expenditure of $35,000,000 for the construction of a railroad up into the ice fields of Alaska. We have authorized the development of agriculture up there among the glaciers. We seem to have no conception of what the public needs are. We are running the gamut of wild waste in the expenditure of public money. We have already appropriated $1,117,000,000. There are two bills still pending calling for the appropriation of $83,000,000 more—the river and harbor bill amounting to $53,000,000 and the ship-purchase bill, amounting to $30,000,000, which, if enacted, will make the total appropriations $1,200,000,000, or $192,000,000 more than the largest sum ever appropriated by a Republican Congress.

And we are now about to levy a new tax of $100,000,000 on the people to pay these extravagant and useless expenditures. I warn the House, and particularly the Democratic side, that the time is coming when this reckless waste of public money will not be tolerated by the American people. I advise you to go slow, to take heed, to stop and think. The people of the United States have had their incomes reduced, and are compelled by reason of that reduction in their income to cut down their expenses, and they will not long submit to the continuation of a policy which increases the amount of their taxation and at the same time reduces their power to earn an income; to your increasing the expenses of the Government, while they are compelled, as a result of your policy, to economize and in many instances to even deny themselves the ordinary comforts of life. [Applause on the Republican side.]

Mr. GORDON. Mr. Chairman, will the gentleman yield to me?

Mr. MADDEN. Oh, no; I am through.

Mr. FERRIS. Mr. Chairman, I want to ask unanimous consent that at the expiration of how much time——

Mr. MONDELL. I was out about a minute while section 7 was under consideration, and understanding that there were several amendments to be offered to that section I supposed it would not be disposed of promptly. When I returned, the Clerk began to read section 8.

Mr. FERRIS. Of course, the gentleman is correct about that. Section 7 was open for amendment. The gentleman is again correct when he says he was away for a moment, and he is again correct when he says that the Clerk began to read. But if there is anything important that the gentleman wants to talk about in section 7 we can return to it later. How much time does the gentleman desire on this section?

Mr. MONDELL. Five minutes.

Mr. FERRIS. Then, Mr. Chairman, at the expiration of 15 minutes I ask unanimous consent that the debate on this section close; 5 minutes to be controlled by the gentleman from Wyoming [Mr. MONDELL], 5 by the gentleman from Illinois [Mr. MANN], and 5 by myself.

Mr. TAYLOR of Colorado. I shall want about 5 minutes.

Mr. OGLESBY. I shall want 3 minutes.

Mr. LENROOT. I wish the gentleman would add 2 minutes to that. I may not use it.

Mr. FERRIS. Then, Mr. Chairman, I make it 20 minutes.

The CHAIRMAN. The gentleman from Oklahoma [Mr. FERRIS] asks unanimous consent that debate on this section close in 20 minutes—5 to be controlled by the gentleman from Illinois [Mr. MANN], 5 by the gentleman from Wyoming [Mr. MONDELL], 3 by the gentleman from New York [Mr. OGLESBY], 2 by the gentleman from Wisconsin [Mr. LENROOT], and 5 by himself.

Mr. THOMSON of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. THOMSON of Illinois. Does the gentleman's request contemplate closing debate on this section?

Mr. FERRIS. Yes. Make it 25 minutes, Mr. Chairman, in order to give the gentleman from Illinois [Mr. THOMSON] 5 minutes.

The CHAIRMAN. Is there objection?

Mr. DONOVAN. I would like to ask the Chair if he understands that all debate shall be confined to the subject matter of the bill? The rule required that, but the Chair has not presided over this committee before.

The CHAIRMAN. The Chair will state to the gentleman from Connecticut that if a point of order is made, the Chair will rule thereon.

Mr. DONOVAN. Mr. Chairman, reserving the right to object, I shall object if we are obliged to listen to any more tirades such as that we have just listened to from the gentleman who last had the floor.

Mr. FERRIS. I ask unanimous consent, Mr. Chairman, that debate on this section be limited to 30 minutes.

The CHAIRMAN. The gentleman from Oklahoma modifies his request and asks that all debate on this section be limited to 30 minutes. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Chairman, I believe the provision made in section 8 for the opening of small mines without charge would perhaps be useful and helpful in some few cases. I have in mind conditions under which such a provision would be valuable.

What I fear, however, is that this section, without modification, may be used for the purpose of preventing the opening of large coal mines. I can readily understand how an operator now controlling and owning a mine in certain fields might influence some one to take advantage of section 8 in such a way as to prevent the opening of a competing mine. I think that in many cases that is what would be done under this section.

We have never had any provision of this kind, and we have never especially suffered for the lack of it. There are cases, it is true, where it would be helpful and useful for a small local mine to be owned—I had such a provision in the bill I introduced—but ordinarily those desiring to open such a mine can lease a small tract or purchase it. The danger is you are presenting an opportunity here to block development wherever

it is in the interest of an operator already in the field to block such development. I have in mind a number of coal fields where there are few places where it would be possible at any reasonable expense to now open a mine until the frontal areas have been worked out; and one of these 10-acre mines placed just at the proper point would effectually block the opening of another mine.

Therefore I believe, if it is to remain in the bill—and I should like to have it remain in the bill, if it can be retained without doing harm—there should be added a proviso to the effect that an operation of this kind should not be a bar to the leasing of the land under royalty. I think that anyone who wants to go in and get a 10-acre mine without any charge or cost ought to be willing to give way when the Government is in a position to actually have the property developed in a large way. I would pay him for his improvements.

Now, such a condition would not work injury in any case that one can conceive of a bona fide opening under this section, for such opening would ordinarily be far from railway communication, in the midst of small settlements, where there would be no demand for a large mine. What I fear is that advantage will be taken of this section to block the very development that you want—the development that we must have in order to give us competition with people already in the coal business.

Mr. LENROOT. Mr. Chairman, will the gentleman yield there?

Mr. MONDELL. Yes.

Mr. LENROOT. How does the gentleman think development could be blocked?

Mr. MONDELL. If, for instance, at a given point in a field there was only one canyon cutting into the coal field through which a railroad or tap line could be built, only one place where you could advantageously attack the vein until a large amount of development had taken place—and those conditions occur frequently—some operator in the territory desirous of preventing anyone else starting in competition could have one of these 10-acre mines opened at such a point.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I ask unanimous consent that I may have two minutes more.

Mr. FERRIS. The time is all parceled out.

Mr. MONDELL. I only wanted to answer the gentleman in a minute or two.

Mr. FERRIS. I yield to the gentleman one minute of my time.

Mr. MONDELL. One of these 10-acre mines could be opened at that point, and unless you have some provision to cover such a contingency it might not be practicable to open a large working.

Mr. LENROOT. The gentleman may not be aware that further on in the bill there is a section which reserves rights of way over all leased lands.

Mr. MONDELL. I know of that provision. I am not speaking of a right of way; I am speaking of a place where there is only one present opportunity in a considerable territory to open a big mine advantageously, and the location of a 10-acre mine right at the point where it would be necessary to open the larger mine might block the opening of that larger mine. It would not be a question of right of way.

Mr. LENROOT. You could cross it.

Mr. MONDELL. If the only point for making the mine opening was on this 10-acre tract, what could be done? I have in mind numerous places where that might be the situation. In attempting to help small communities you have here a section which may lead to all kinds of scandal if it is not guarded. If I have the opportunity I shall offer an amendment that, I think, will cover the point.

Mr. LENROOT. Section 24 of this bill reserves to the Secretary of the Interior the right—

to permit for joint or several use such easements or rights of way upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same, or of other lands containing the deposits described in this act—

which effectually bars any man holding a permit from preventing another lessee obtaining access to his coal deposit. Section 24 is a complete answer to the objection that the gentleman from Wyoming now makes.

Mr. MANN. I do not think the gentleman from Wisconsin caught the point made by the gentleman from Wyoming [Mr. MONDELL].

Mr. LENROOT. I think I did.

Mr. THOMSON of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Insert after the word "*Provided,*" at the beginning of line 8, on page 7, the following: "That not more than one such limited license or permit shall be issued to any single applicant hereunder: *And provided further.*"

Mr. TAYLOR of Colorado. I think that will be accepted by the committee. I think it is eminently proper.

Mr. THOMSON of Illinois. It is the same amendment that I offered to the Alaska bill, which was accepted.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois [Mr. THOMSON].

Mr. OGLESBY. Mr. Chairman, in my opinion this section 8 is the sanest provision in the bill.

Mr. THOMSON of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. THOMSON of Illinois. Was my amendment adopted?

The CHAIRMAN. It has not been voted on. The gentleman from New York [Mr. OGLESBY] is recognized for three minutes.

Mr. THOMSON of Illinois. I understood that I was recognized, and I offered an amendment.

The CHAIRMAN. The gentleman did, and then surrendered the floor.

Mr. THOMSON of Illinois. I did not understand that I had surrendered the floor.

The CHAIRMAN. The gentleman did. The gentleman took his seat. The gentleman from New York [Mr. OGLESBY] is recognized.

Mr. OGLESBY. Mr. Chairman, in my judgment section 8 is the sanest provision of this bill. I do not understand the use of conservation if it is not for the purpose of preserving from waste and monopoly, in order to give the people of the whole country the benefit of the particular product that is conserved. Certainly it can not be for the purpose of getting revenue for the National Government, and the provisions for the leasing of these coal lands to the man who will pay the highest royalty does not, to my mind, accomplish the purpose for which the coal lands have been set aside and placed in such a position that they can not be used by private individuals who may attempt to get them in the way we all get our property—by purchase from the legal holder of the title. It is inevitable that the man who gets a lease of a coal mine for the purpose of operating it will add to the cost of production whatever he has to pay in the way of royalty, and no limitation whatever is placed upon the price at which he shall sell the coal to the public, except the price he is compelled to make by reason of the competition to which he is subjected.

One reason I favored the building of the railroad in Alaska was because it would enable us to get out those large deposits of coal; not that I believed any of that coal would be sold in the East, but because if the western country could be supplied from those large coal mines in Alaska it would remove the pressure from our mines in the East, and then we would not be met by our coal dealers, when we asked for a decent supply of coal, with the objection that because their mines are supplying such large quantities of coal to the West it is impossible for them to give us any more than is necessary to meet our needs from day to day. Not only are we limited to a starvation allowance, but they use that argument in order to scare us into paying practically any price that they want to charge; and I say that this particular provision, which affords an opportunity to a man who is going to operate locally or to any municipality to take its coal out without the payment of royalty, is a sane provision, because it offers an opportunity for the production and sale of this coal to the consumer at the lowest price at which it could be had under a bill of this character.

The CHAIRMAN. The question is on the amendment of the gentlemen from Illinois [Mr. THOMSON].

The amendment was agreed to.

Mr. MANN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] is recognized for five minutes.

Mr. MANN. I think the gentleman from Wisconsin [Mr. LENROOT] was mistaken in thinking that section 24 obviates the objection raised by the gentleman from Wyoming [Mr. MONDELL]. I do not know myself what the possibilities may be, but I can readily imagine that in many mountainous places there is only one available and cheap place for opening a mine which would cover quite an extent of coal territory. It is possible that the Secretary, through regulations, may be able to control that; but, on the other hand, it is quite possible

that where a company contemplated leasing a tract authorized in the bill somebody who wanted to shut them out might make application for 10 acres at the very point where the only profitable mine opening could be made.

I suppose we will have to take our chances on that. I doubt the desirability of permitting municipal corporations to take 160 acres of coal land to operate without profit. I imagine that they will operate without profit, although I know of no way of determining in advance whether that will be the case or not. You say you grant a lease upon the condition that the city or other municipality operating the mine shall handle the coal without profit. They will not know whether it is with or without profit until the end of some stated time. To say that we authorize a coal company to operate without profit, how on earth would they know whether they were operating without profit or with profit until the end of some stated period? Then they could not pay it back to the purchasers of the coal; that is not practicable.

Here is a proposition to lease coal lands and charge a royalty to the private owner, and at the same time your proposition is to give to the city authority, without royalty, to operate a competing coal mine on the condition that they shall do it without profit. You know that the private people will not endeavor to operate without profit. Profit is what they go into business for. How can you expect people to take leases of coal lands with the expectation of making a profit and paying a royalty when their competitors are required to operate without profit and pay no royalty?

Mr. FERRIS. May I make a suggestion?

Mr. MANN. Certainly.

Mr. FERRIS. Of course the gentleman knows, and I know, that this is not the most important provision of the bill, that it is not the axis upon which the legislation will turn.

Mr. MANN. I am not sure about that.

Mr. FERRIS. In the little cities where only a small per cent of the coal mined is consumed, and 90 or more per cent sold abroad, does not the gentleman think it would be a good sized club and a feasible club to hand to the city to see to it that when the coal mines were being operated right under the eaves of the town, that they could have coal for what it was worth instead of paying $15 or $20 a ton, if the coal company sought to oppress them by charging high prices; does not the gentleman think it would be a humanitarian act to allow them to dig their own coal?

Mr. MANN. As a business proposition it is not fair to say that the private owners shall pay a royalty while a public municipal corporation shall pay no royalty in competition with each other. That is not a fair proposition. The whole theory of legislation in that respect, and too much of other legislation that we have, seems to be that you expect private people to operate business for amusement. People go into business to make money, and they are foolish if they do otherwise. The business incentive to men everywhere to engage in business is the possibility of profit. When you want people to engage in business you ought not to say to them "Your competitor shall have better terms." We do not anywhere endeavor to provide that one man shall have better terms than another. We pass railway legislation for the purpose of putting all on an even plane. But here you propose to say that a public corporation shall pay no royalty in competition with a private corporation that is required to pay a heavy royalty.

Mr. FERRIS. Mr. Chairman, if the private coal company had as its sole market the local municipality, every word that the gentleman from Illinois says would appeal to every Member here. But the fact is the little local community is but a small parcel of their market. A coal company that goes into the West and leases four sections of land and sets up a coal-mining plant that costs a half million dollars is not doing that for the purpose of selling solely and alone to some little town of 1,500 inhabitants.

Mr. MANN. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. MANN. This provision is not confined to little towns of 1,500 inhabitants.

Mr. FERRIS. I know it is not; but the gentleman and I both know that this entire bill only applies to the West, and that in the main is the class of towns you will find out there. Eastern cities will, of course, never use it.

Mr. MANN. Any city in the country can go there and lease a mine.

Mr. FERRIS. Yes; but this only has application to States that have public land.

Mr. MANN. Any city can go out and get 160 acres of land and open a coal mine.

Mr. FERRIS. Yes; but no city is going to do that.

Mr. GORDON. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. GORDON. Is not there a provision in the trade commission bill that prohibits such discrimination as you seek to avoid?

Mr. FERRIS. I think there is, although I am not sure.

Mr. GORDON. If the coal-mining company discriminates against the local municipality in favor of nonresidents, they would violate the provision of the interstate trade commission act.

Mr. FERRIS. Probably they would, but I am not familiar enough with the trade commission bill to answer the gentleman's question categorically. I hope it will bring all that it is expected to. Here the Federal Government is leasing some of its own land and leasing its coal deposits. A good many people in the West think we ought not to lease the coal deposits at all. They think that we ought to give them to them and give it to them in fee simple. We have tried to make the fight along the line of saving something to the public, and we have had a heavy load to carry to prevent the West from going into private ownership, where it would in all probability mean extortion. The task has not been a light one.

Mr. SHERLEY. Are we to understand that this is a concession to those people who believe that the public lands should be ceded to the State where they are situated?

Mr. FERRIS. Not quite that. But it is an opportunity that enables a local city or community that is being oppressed more than it can stand to lease some of the Government coal land without paying a royalty to the Federal Government so long as it makes no profit from it. I ask, What more wholesome provision, what more wholesome act, could this Congress permit than to place in competition with the coal-mine company a city in its entirety when the coal company is charging $18 or $20 a ton for its coal, which is mined right at the doors of the city? A moment ago, in private conversation with the gentleman from New Hampshire [Mr. REED], he told me that while he was mayor of Manchester a coal company charged the people of Manchester $20 and $22 a ton for coal when the coal was mined nearby. Does anyone want to enable coal companies to oppress any community or city more than that community or city can stand, and does anyone know of any more wholesome and better provision than allowing the city to mine coal for its own use without profit, free of royalty to the Federal Government?

Mr. SHERLEY. If the gentleman's theory is right, why should we not restrict all leases to municipalities without cost and let them mine the coal?

Mr. FERRIS. Oh, the gentleman shoots wide of the mark.

Mr. SHERLEY. That is not answering the proposition.

Mr. FERRIS. There is only a small amount of coal used by these little cities on the frontier in the West. What happens? A coal mine is opened by a big coal company that spends half a million dollars to open the coal mine. They sell 2 or 3 or probably 5 per cent of the coal to the local community and ship 95 per cent away. It pays no taxes and bears no burdens of the local community. Does the gentleman think that this legislation should pass without handing the local community some weapon to protect itself?

Mr. SHERLEY. I do not think this is the proper weapon. I do not think the gentleman's statement is accurate either as to taxes or conditions.

Mr. FERRIS. Let me proceed. I know that we do not want to make this bill so socialistic that it will drive capital away. I was attracted somewhat by the argument of the gentleman from Illinois, Mr. MADDEN. He is a solid, level-headed business man. I was likewise attracted somewhat by the argument of the gentleman from Illinois, Mr. MANN. We do not want to put any provision in the law that will drive away capital, but the Bureau of Mines and the Geological Survey have sent me a long memorandum, and in both instances they say they believe the provision is salutary; they think it is what it ought to be, and they do not think that it will drive away capital. They think that it will accomplish good out in the West. Again, I repeat that this is not the main provision of this bill, but it is important to the destiny of this bill. It will help the administrative officers to carry out the intent of this bill and will help popularize and help the bill in the West. I want to call the attention of the House to the fact that if you make this legislation so unpopular that the western people will refuse to accept it, you will make it hard for your administrative officers to carry it out; and we ought to grant something in the bill to these local communities where it is very much needed, where

we can do it, when we are accomplishing so much good, as I believe we are.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

Mr. FERRIS. Mr. Chairman, but the gentleman from Wyoming has already occupied his time, and he is not a member of the committee.

The CHAIRMAN. The Chair understands that debate on this section was limited to 30 minutes.

Mr. FERRIS. The gentleman from Colorado [Mr. TAYLOR] is entitled to the time, if any more time is to be used, for he is a member of the committee.

The CHAIRMAN. Five minutes of the time remains yet unconsumed, and the Chair will recognize the gentleman from Wyoming for four minutes.

Mr. MONDELL. I do not care to be recognized.

Mr. TAYLOR of Colorado. Mr. Chairman, the remainder of that time belongs to me, but I thought if we were going to read the bill that I would not consume the time.

Mr. MONDELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair is informed that there was no such agreement giving to the gentleman from Colorado the balance of any unused time of other gentlemen. He was to have, if anything, five minutes. Four minutes were surrendered by other speakers. The gentleman from Wyoming addressed the Chair, and the Chair will recognize him for the four minutes unoccupied, in addition to the five minutes yet remaining unused.

Mr. DONOVAN. Mr. Chairman, the gentleman from Wyoming has already had five minutes.

The CHAIRMAN. It is immaterial. The gentleman from Wyoming is recognized for four minutes.

Mr. MONDELL. Mr. Chairman, I rise not for the purpose of using the four minutes in discussion, but for the purpose of propounding a question to the gentleman from Oklahoma [Mr. FERRIS]. Section 7 is reserved for amendment. The section we have just completed is the last of the coal sections. Would it not be well to go back to section 7 and complete that now?

Mr. FERRIS. No; and I hope the gentleman will not do that. Let us get along with the bill.

Mr. MONDELL. We do not want to discuss phosphates and oil and other things with coal still unfinished.

Mr. FERRIS. The gentleman can not go back to that now.

Mr. STAFFORD. Let us limit the time for debate in going back to it, so that we can close debate upon it.

Mr. MONDELL. There are some things that I desire to present.

Mr. DONOVAN. Mr. Chairman, a point of order. There is a colloquy going on over on the other side of the aisle between two or three gentlemen, and only one can have the floor.

The CHAIRMAN. The gentleman from Wyoming has the floor.

Mr. DONOVAN. But he is not the one who is using the floor.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. FERRIS. Would it be agreeable to the gentleman to ask unanimous consent to revert to section 7, and that the time be limited to 10 minutes, 5 minutes to be consumed by the gentleman from Wyoming and 5 minutes by us?

Mr. MONDELL. I have two amendments, and I want 5 minutes on each.

Mr. FERRIS. Then, Mr. Chairman, I ask unanimous consent that after we dispose of section 8, which is now under consideration, we revert to section 7, so that the gentleman from Wyoming may offer two amendments, and that at the expiration of 25 minutes' debate on those amendments, 8 minutes of which time is to be controlled by the committee and 17 minutes by the gentleman from Wyoming and the gentleman from Illinois [Mr. MANN] and the gentleman from Wisconsin [Mr. STAFFORD], all debate shall close on the paragraph.

Mr. MANN. I suggest that the gentleman do not limit it to two amendments. I understand the gentleman from Wisconsin has two amendments he desires to offer.

Mr. FERRIS. Then we will just limit the time for debate.

Mr. MANN. Limit the time for debate to 25 minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that at the conclusion of debate on section 8 the committee return to section 7 for the purpose of offering amendments, and that at the expiration of 25 minutes on these amendments debate on the paragraph and amendments thereto shall be closed. Is there objection?

Mr. DONOVAN. Mr. Chairman, reserving the right to object, does the Chair hold that this requires unanimous consent?

The CHAIRMAN. The gentleman from Oklahoma is asking unanimous consent.

Mr. DONOVAN. Then, Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Connecticut objects. Does the gentleman from Colorado desire to use any time on section 8?

Mr. TAYLOR of Colorado. Mr. Chairman, I will avail myself of the privilege of extending my remarks on that section.

The CHAIRMAN. The gentleman has that right under the rule.

Mr. SHERLEY. Mr. Chairman, before the Clerk reads I desire to offer an amendment to section 8. I move to strike out all in line 7 on page 7 after the word "occupied" down to and including line 16.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 7, line 7, after the word "occupied," strike out the following: "*Provided*, That not more than one such limited license or permit shall be issued to any single applicant hereunder: *And provided further*, That in the case of municipal corporations the Secretary of the Interior may issue such limited license or permit, for not to exceed 160 acres, upon condition that such municipal corporations will mine the coal therein under proper conditions and dispose of the same without profit: *And provided further*, That the acquisition or holding of a lease under the preceding sections of this act shall be no bar to the acquisition of such tract or operation of such mine under said limited license."

Mr. MANN. Mr. Chairman, I think the amendment is not reported the way the gentleman from Kentucky intended it, because the Clerk reported part of it, striking out the amendment of the gentleman from Illinois, which was inserted.

Mr. SHERLEY. I only desired that my amendment should begin with the proviso, "*Provided*, That in the case of municipal corporations," and so forth.

The CHAIRMAN. The committee has already adopted an amendment offered by the gentleman from Illinois——

Mr. STAFFORD. After the amendment of the gentleman from Illinois strike out the balance of the paragraph.

Mr. SHERLEY. I desire to modify my amendment, therefore, in accordance with the amendment adopted.

The CHAIRMAN. The gentleman from Kentucky offers an amendment to strike out the paragraph commencing with the words "that in the case of municipal corporations," and so forth, line 8, page 7.

Mr. FERRIS. Mr. Chairman, I make the point of order that debate is closed on this section. Debate was parcelled out by unanimous consent and the parties were named who were to have it, and the gentleman from Colorado yielded his time so that the Clerk could continue with the reading of the bill, and hence no other amendment is now in order, nor is anyone entitled to debate.

The CHAIRMAN. The Chair is not informed that the arrangement was such as the gentleman submits.

Mr. FERRIS. But the Chair is informed; we so inform the Chair.

The CHAIRMAN. The Chair stated that he is not so informed.

Mr. FERRIS. I can——

The CHAIRMAN. If the gentleman will permit the Chair to make a statement it will expedite the business of the committee. Certain gentlemen who were recognized to occupy five minutes surrendered a portion of their time, and there is still a part of the 30 minutes allotted for debate unconsumed, and after those who were to be recognized are recognized and consume some time there is time left over and the Chair recognizes those seeking recognition. The gentleman from Kentucky is recognized.

Mr. DONOVAN. Mr. Chairman, this action——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. DONOVAN. To call attention to the fact that this action was taken when another gentleman was in the chair.

The CHAIRMAN. The Chair so stated, and stated the situation according to the information furnished at the desk. The gentleman from Kentucky is recognized.

Mr. SHERLEY. Mr. Chairman, I do not desire to unduly delay the committee, but I do want to put myself on record as opposed to the proviso that I moved to strike out. I do not believe that it is consistent with sound governmental policy to undertake to provide for a lease on coal lands on the payment of royalty and then to provide practically, as the gentleman from Oklahoma has said, as a concession to the western idea that I repudiate, that the public domain belongs to the Western States in which it happens to be situated; that a local community may lease without payment of royalty. Now, what we are trying to do here is to violate a policy that has been adopted touching conservation, that the public domain is to be

used for the benefit of all the people and not for a class of people, and we are proposing that in these western communities we shall permit those people to mine their coal without cost on the assumption that the property that is to be leased by the Government will be so handled as to be an extortion upon the public, an assumption which I am not willing to believe. If I believed the leasing of these coal lands by the Government for a royalty was to be made the medium of oppression and monopoly upon the people, then I would oppose the whole bill; and I do not see how gentlemen can come in here asking us to vote for a leasing bill and then in the next breath say that under the lease that is to be given there will be such oppression that in order to prevent it we must let a local municipality have the right without paying any royalty to mine coal so as to prevent the consumers being charged extravagant prices. The two things do not fit. It is not true in point of fact, in my judgment, and you are starting on a program of socialism that if you want to go on with you should go the whole way. [Applause.] You should provide that all coal lands that the Government owns shall be leased both to municipalities and corporations over the country at large without charging anything, so as to assure the general public obtaining coal at a cheap price without adding to it the cost of royalties. You have to take one horn of the dilemma or the other. The gentleman's statement begs the question. He tells you in substance—and I agree that he has fought hard and diligently to have a policy enacted to protect the public domain in the interest of the public at large—that he has been so pressed he has had to make concessions. Now, I do not blame him for that, but we are prepared to come to his rescue and prevent a concession being made that is not wise in principle and is not needed in point of fact. [Applause.]

The CHAIRMAN. The gentleman from Colorado is recognized.

MUNICIPAL COAL MINES.

Mr. TAYLOR of Colorado. Mr. Chairman, as the chairman of the Public Lands Committee, the gentleman from Oklahoma [Mr. FERRIS] has said this provision, which the gentleman from Kentucky [Mr. SHERLEY] moves to strike out, is a provision that I inserted in this bill myself. I also assisted in adding the fore part of the section, concerning which there is also a motion to strike out. So that I can not permit this attack upon these provisions to pass without making a brief reply. The language which it is sought to strike out is as follows:

SEC. 8. That in order to provide for the supply of strictly local and domestic needs for fuel, the Secretary of the Interior may, under such rules and regulations as he may prescribe in advance, issue to any applicant qualified to obtain a lease under section 3 of this act, a limited license or permit granting the right to prospect for, mine, and dispose of coal belonging to the United States on specified tracts, not to exceed 10 acres in any one coal field, for a period of not exceeding 10 years, on such conditions, not inconsistent with this act, as in his opinion will safeguard the public interest, without payment of royalty for the coal mined or for the land occupied: *Provided*, That in the case of municipal corporations the Secretary of the Interior may issue such limited license or permit, for not to exceed 160 acres, upon condition that such municipal corporations will mine the coal therein under proper conditions and dispose of the same without profit.

I therefore heartily coincide with the statement of the gentleman from New York [Mr. OGLESBY], that this is the sanest provision in this entire bill. The gentleman from Illinois [Mr. MADDEN] calls it socialistic. There is nothing more socialistic about this provision than there is in allowing a city to own its own water plant or electric-light plant or any other municipal utility. Throughout the Western States, notwithstanding there are millions of acres of coal lands, there are some large coal companies that compel small cities and towns to pay an exorbitant price for coal. This provision is put in the bill for the sole purpose of being a check and guard against monopoly and extortion. It will have a tendency to compel the coal operators to treat the people fairly, and I can not understand how anyone can oppose this measure, unless he is knowingly or unwittingly shielding the big coal companies that have charged and will charge the people unjust and exorbitant prices.

I think it would be an outrage on the West to let this bill go through without some safeguard against the big coal combinations. Of course, every big coal corporation is opposed to this. Every big outrageous monopoly is against it. They will all enthusiastically agree with the sentiment of the gentleman from Kentucky [Mr. SHERLEY] and the gentleman from Illinois [Mr. MADDEN]. But the people of the West who have been paying extortionate prices want a provision of this kind in this bill.

Mr. SHERLEY. Will the gentleman tell me why they have a better claim to this land than the rest of the people of the country?

Mr. TAYLOR of Colorado. The people of the municipalities and all the people of those States have a right to ask this Congress to protect them against extortion.

Mr. Chairman, this provision gives cities and towns the right to obtain a lease of 160 acres of coal land from the Secretary of the Interior and to mine coal for their inhabitants without paying any royalty. It is the most genuine example of honest conservation that has ever been presented to this House. There can be no more wise or better legislation than a provision of this kind that will absolutely make monopoly impossible and protect the people of all of those Western States forever against any extortion by coal combines. No law can be more humane or capable of more benefit to mankind than by furnishing cheap fuel. This is a measure that I have been diligently working upon ever since I have been in Congress. I live within 3 or 4 miles of one of the largest coal veins in the United States, from which coal is mined at from 60 to 90 cents a ton, and yet the inhabitants of my home town, Glenwood Springs, Colo., have to pay from $5.50 to $6.50 per ton for it. I introduced a general coal bill—H. R. 26200—in the Sixty-second Congress, and on the first day of this Congress, April 7, 1913, I introduced H. R. 1632, granting cities and incorporated towns coal lands free for municipal purposes—640 acres for cities and 160 acres for towns. Three years ago I submitted this measure to the Interior Department, and after many conferences obtained a very favorable report from the former Secretary of the Interior, Hon. Walter L. Fisher; and the Public Lands Committee favorably reported my bill on this subject. The report which I prepared for the committee upon that bill includes the report of the former Secretary, and is as follows:

COAL LANDS FOR MUNICIPAL PURPOSES.

For a number of years past it has been the policy of the administration to withdraw from entry practically all of the coal lands upon the public domain. The Government has been gradually examining and reclassifying the coal land, so that at the present time a large portion of the coal lands have been classified and a purchase price placed thereon. But upon practically all of the coal land thus far classified the price has been fixed so extremely high that it is practically prohibitive. In some States there has been scarcely a single entry initiated and completed during the past three years. The natural and actual result of this policy has been and is to permit the coal companies that own a large part of the coal lands heretofore patented and that are operating most of the mines thereon in the various States to combine together—especially in conjunction with the railroads—and unduly raise the price of coal to the consumers. The increase in prices has in many cases been as much as 200 per cent during the past three years. This condition is imposing a very great burden and an unwarranted hardship upon the people throughout the West, and especially the poor people in cities and towns. Moreover, where in former years the farmers and many people of the towns were almost universally permitted to go with their wagons to the coal mines and get coal for a dollar a ton and haul it home themselves, that practice has been entirely discontinued and prohibited at nearly all coal mines, and all those people are now compelled to pay from $4.50 to $6.50 a ton generally, and in many places even higher than that. For many years the price of coal was from $2.25 to $3.25 per ton. In other words, the Government's laudable intention of conservation against waste and monopoly is now being used to create one of the greatest monopolies and outrages that has ever been inflicted upon or known throughout the West.

For the purpose of trying to relieve this situation, and at the same time desiring to recognize the good intention of the administration and the public generally to prevent monopoly or waste of the public coal lands, H. R. 1264 was introduced on the 4th of April, 1911. The bill was duly referred by your committee to the Secretary of the Interior for his report thereon. The object of the bill was to allow cities and incorporated towns to obtain from the Government at a nominal price a reasonable amount of coal land on the public domain upon which to open a coal mine for municipal purposes, and for the supplying of the inhabitants of the city or town. The intention was to authorize the city or town authorities to conduct a mine and sell the coal to its citizens at actual cost, and thereby protect its citizens from the prevailing extortion. After numerous consultations with the officials of the Interior Department the Secretary made the following report thereon:

DEPARTMENT OF THE INTERIOR,
Washington, D. C., August 5, 1912.

Hon. JOE T. ROBINSON,
Chairman Committee on Public Lands, House of Representatives.

SIR: With reference to your requests for a report on H. R. 1264, to authorize cities and incorporated towns to purchase coal lands:

This matter has been discussed at length with Representative TAYLOR of Colorado, who introduced the bill. The aim of the Federal conservation policy with respect to Government-owned coal lands is to insure for the public an abundant supply at prices which will yield a fair return and no more upon the capital invested in mining and handling the coal. This is impossible when a fee simple patent is granted to private persons or corporations for the commercial exploitation of the coal deposits. When title passes from the Government its control ceases, and the patentee is placed in such a position that he can exact from consumers the highest price for the coal mined from the lands that their necessities may compel them to pay. The patentee or subsequent fee simple owner of any particular tract containing rich deposits easily workable at small expense and supplying a market in which coal mined under less favorable conditions does or may compete will fix his price no lower than is necessary to command the market against such competition. That level will be determined by the relatively high cost of production of the coal mined under less favorable conditions. The difference between this relatively high cost and the relatively low cost of mining and marketing coal from the tract so patented can not, under conditions of commercial competition, be transferred to the consumers. It must remain in the hands of the coal operator unless paid to the public in the form of rental or royalty. For this reason the leasing system is the only method for the private exploitation of Government-owned coal lands which can protect the public. By retaining the title in its own hands and properly conditioning the lease it will be possible to protect the public from extortion.

Municipal corporations which desire to mine coal to supply municipal needs and the needs of their citizens are in a different position from commercial corporations. It may be presumed that a city entering upon such an enterprise would sell the coal at cost to its citizens and not attempt to make profit therefrom. Even if a profit were made it would increase the general revenue of the city and thereby accrue to the benefit of the citizens. Although I am of the opinion that a long-time lease for a nominal consideration would be better for this purpose than an *outright grant*, because it would admit of greater flexibility in dealing with each city according to local circumstances and conditions, I recognize that it is possible to embody in a patent to a city the most essential conditions necessary to effect the purpose of the Federal conservation policy as above stated. It is desirable to retain in the hands of the Federal Government a certain amount of supervision to make sure that the city will actually develop the coal without waste and with due regard to the health and safety of the miners; also that all the transactions of the city be given the fullest publicity to prevent any opportunity for corruption and abuse and to keep the Federal Government and the general public fully informed as to just how legislation of this character is operating in actual practice.

I submit herewith a proposed substitute for H. R. 1264, which has been drafted in the department to embody the views above set forth. You will note that this draft differs from the bill introduced by Mr. TAYLOR in that it provides for the issue of a patent to cities and towns as a gift and not as a sale. This is consistent with the conservation policy as above explained.

Very respectfully,

WALTER L. FISHER,
Secretary.

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DEPARTMENT OF THE INTERIOR,
Washington, February 4, 1913.

Hon. SCOTT FERRIS,
House of Representatives.

SIR: Complying with your request of January 31, there is inclosed herewith copy of departmental report on H. R. 1264, dated August 5, 1912. Your particular attention is called to the last paragraph of the report as to the submission of a proposed substitute for the bill. This substitute was introduced by Mr. TAYLOR of Colorado on August 9, 1912, as H. R. 26200, copy whereof may undoubtedly be found in your files.

Very respectfully,

LEWIS C. LAYLIN,
Assistant Secretary.

The proposed substitute therein referred to was introduced on August 9, 1912, and is the bill (H. R. 26200) now in question, without any alterations or change whatever.

It is believed by your committee that the restrictions in the bill and the supervision retained by the Secretary of the Interior upon the working of the coal mine will be amply sufficient to protect the rights of the Government, and at the same time give the municipalities sufficient title and right to the property to warrant their making the large investment necessary in opening, developing, and practically operating a coal mine. It may be asserted that if all cities and towns in the public-land States that are entitled to the provisions of this measure (estimated at 1,650) should take advantage of it, their aggregate appropriation would not amount to more than a half million acres, or less than 2 per cent of the remaining coal lands now belonging to the Government. But, even so, it is believed by your committee that that amount of coal land could not be used for a higher, better, or more humane purpose.

However, it is certain that only a small per cent of the cities or towns will ever be required to take advantage of the provisions of this act. It is believed that in most cases the mere fact of their having the legal authority to do so will have the salutary effect of compelling the coal companies to desist from the present extortionate prices and monopoly and compel them to mine and sell coal to the people at a fair and reasonable price.

The committee is also of the opinion that this measure can not and will not interfere with any legitimate operation of coal mining by coal companies that are operated in a practical way and are willing to dispose of their product at a fair price, for the reason that a coal company with its experience, skilled operators, and appliances can usually mine and sell coal at a good profit for less than a municipality can mine and deliver it—at least for a considerable time after the opening of a mine. Moreover, no city or town will be disposed to incur the probable indebtedness and expense of anywhere from $5,000 to $50,000 in the opening up of a coal mine and putting in the necessary machinery, side tracks, etc., if fair and permanent arrangements can be made with private coal companies to supply the inhabitants thereof with coal at a reasonable price. Many cities are now adopting the commission form of government and own their electric-light plants, pumping stations, and other municipal works, and have many uses for coal other than for the ordinary municipal buildings; and the possibility of direct competition with the coal companies, it is confidently believed, will generally have the effect of reducing the price of coal to the people, and thereby bring about the very great and lasting benefits above referred to.

Of course, in States where the constitution and laws or city ordinances are such that their municipalities can not lawfully expend the public money toward purchasing and maintaining a coal mine outside of their corporate limits, this act will not be available until such time as their constitution, statutes, or ordinances are modified to grant them that authority.

On August 11, 1912, the administration, through the Secretary of the Interior, issued what appeared to be an official statement to the public, which was published in the Washington Post and the press generally throughout the country in the Sunday's edition of that date, heartily approving this measure. That statement is so comprehensive that it is herewith inserted with the belief or hope that, in view of the position of the administration and the Interior Department upon this policy, there can be no real objection to the enactment of this measure as expeditiously as it can be considered by Congress:

"COAL MINES TO CITIES—SECRETARY FISHER BEGINS PLAN TO SOLVE FUEL PROBLEM—GRAND JUNCTION, COLO., FIRST—ORDERS LANDS WITHDRAWN FROM ENTRY FOR USE OF TOWN—FAVORS ALLOTMENTS FOR MUNICIPAL AS WELL AS CITIZENS' NEEDS—ADVOCATES LEASES INSTEAD OF GRANTS—PUTS MATTER UP TO CONGRESS.

"Secretary Fisher has a plan to allot Government coal lands to cities, which, in turn, may operate them, under certain regulations, to supply municipal needs as well as those of citizens.

"As a first step in the plan, Secretary Fisher has recommended that Congress pass a bill granting 640 acres of coal land to the city of Grand Junction, Colo., and meanwhile the Interior Department has withdrawn from entry the land the city desires.

"Cities in Colorado, Wyoming, Utah, Montana, Idaho, and other public-land States west of the Missouri River would be most vitally affected by Secretary Fisher's plan.

"The general bill he offers would authorize the Secretary of the Interior, in his discretion, to patent 640 acres of Government coal land for each city and 160 acres for each town, under conditions providing for prompt and continuous development of the coal, the prevention of any assignment or transfer of the land, the safeguarding of the health and safety of laborers mining or handling the coal, the prevention of undue waste of mineral resources, and other restrictions.

"FAVORS LEASES OVER GRANTS.

"Secretary Fisher maintains that the aim of the Federal conservative policy, with respect to Government-owned coal lands, is to insure for the public an abundant supply at prices which will yield a fair return and no more upon the capital invested in mining and handling the coal.

"Although Secretary Fisher believes that a long-time lease for a nominal consideration would be better for some purposes than an outright grant, because it would admit of greater flexibility in dealing with each city according to local circumstances and conditions, he asserts it is possible to embody in a patent to a city the most essential conditions necessary to effect the purpose of the Federal conservation policy.

"ORDERS THE LAND WITHDRAWN.

"It is desirable, he says, to retain in the hands of the Federal Government a certain amount of supervision to make sure that the city will actually develop the coal without waste and with due regard to the health and safety of the miners; also that all the transactions of the city be given the fullest publicity to prevent any opportunity for corruption and abuse.

"Upon the request of Representative TAYLOR of Colorado, Secretary Fisher has directed that the coal lands desired by Grand Junction be held withdrawn from entry. The right of the Secretary to make withdrawals by executive order in the absence of express authority previously conferred by statute has been a subject of controversy, especially in Colorado, but Secretary Fisher has no doubt of his executive authority in this matter."

I also introduced a bill giving a specific tract of 640 acres to the city of Grand Junction, Colo., and that bill has been twice favorably reported to this House by the Public Lands Committee, and it is on the Union Calendar now (H. R. 1633, Rept. 339). That bill allows the city to sell coal to the inhabitants of the county.

The present Secretary of the Interior made a very favorable report upon this provision, which the gentleman from Oklahoma [Mr. FERRIS] has just inserted in the RECORD. The first portion of the section pertaining to 10 acres is for the benefit of farmers and ranchmen in isolated communities, as well as associations of farmers. In a country where there is an abundance of coal, it seems to me it would be infamous for us to compel those people to either compete with large coal companies or to purchase from them at whatever price they see fit to charge. This provision is put in the bill for the protection of those people.

Upon this subject the Director of the Bureau of Mines recently made the following official report:

DOMESTIC LOCATIONS.

This section is one of the most salutary provisions in the bill, as it takes care of the interests of sparsely populated sections in advance of the commercial development of the coal mines. By reason of the nonaccessibility of many of the coal lands which are subject to lease under this bill, it will unquestionably be years hence before such lands are leased for commercial purposes. In the meantime the scattered inhabitants of such sections will be compelled to depend upon mines located long distances away for their small supplies of coal, with the consequent necessity of being compelled to pay high and perhaps extortionate prices, when deposits of coal are located in their immediate neighborhood, and which are unproductive as commercial propositions because of the limited market in the immediate neighborhood thereof. By means of this provision it will be possible for these isolated communities to obtain the small quantities of coal required for their uses. The limitation to 10 acres and for a period of 10 years amply restricts the privilege and provides the necessary assurance against fraud or monopolistic control. The mining operations will necessarily be conducted upon such a small scale that the cost of mining will be much greater than would be the cost in large-scale mining operations. As a result, the payment of a royalty would in many such instances make the cost of such mining prohibitive. If relief is to be offered to these isolated communities, it should be whole-hearted relief. It would be an anomalous condition if communities having coal in their immediate neighborhood should be unable to avail themselves of the resources at hand and be forced to depend upon sources of supply hundreds of miles distant, with meager and perhaps no transportation facilities. The provision can only be of incalculably more benefit than harm, even if it be admitted that it might in some instances lead to fraud or imposition, although it is not perceived how the opportunity for the latter would occur.

In relation to my measure for municipal coal mines, the Bureau of Mines has recently reported upon that provision of this bill as follows:

This proviso can not possibly result in driving away commercial development. The acreage is limited to 160 acres, which can not under any circumstances permit of large-scale operations. It merely permits communities to relieve their fuel necessities by means of their own action in the absence of a reasonable or satisfactory source of supply. It is anticipated that both under this proviso and the main portion of the section that the operations will only be in advance of the development on a large scale by coal companies. That is the only reason for the inclusion of such provisions. Otherwise, unreasonable and unnecessary hardship might result. The operation of a small mine on 160 acres would not scare away any commercial development at a time when increasing density of population and industrial development would justify the expenditures involved in opening up a lease on 2,560 acres.

On this section, which it is now sought to strike out, the Geological Survey, in a recent report, made the following statement:

(a) This section provides for free coal for strictly local and domestic needs ("country" or "neighborhood" banks) of not to exceed 10 acres in any one coal field. I think it is the idea in this case that such a tract is open for anybody to come and dig coal for themselves as they desire. Under those conditions the collection of royalty would be difficult, if not impossible. The number of acres so designated would be governed by the thickness of the coal and other conditions of the locality selected.

(b) As stated under section 3b, where competition is lacking prices actually charged for coal are often far above cost. If municipalities are legally free to lease coal lands and operate them for the benefit of their own citizens, they may pass the highest labor cost and still supply themselves with coal much below the prevailing market price.

Mr. Chairman, in view of these official reports, the self-evident common sense and undisputable fairness and justice of those provisions, I can not believe that this House will go on record against this section, and I trust the motion to strike it out will be defeated.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Kentucky [Mr. SHERLEY].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. SHERLEY. Division, Mr. Chairman.

The committee divided; and there were—ayes 19, noes 41.

So the amendment was rejected.

Mr. RUCKER. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Missouri makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and four Members are present—a quorum. The Clerk will read.

The Clerk proceeded to read the bill.

Mr. MANN. Mr. Chairman, it was agreed a while ago to return to section 7 for amendment when section 8 was read.

Mr. FERRIS. Objection was made.

Mr. MANN. Objection was made to returning then.

Mr. FERRIS. There was no unanimous consent given to return. I stated to the gentleman from Illinois [Mr. MANN] that I would endeavor to get back to the section.

Mr. STAFFORD. You did state to me that you would certainly return to the section.

Mr. MANN. There was a question made then whether we did not have a right to amend section 7.

Mr. FERRIS. I stated to the gentleman that later on I would ask unanimous consent. I asked unanimous consent, and I will try again.

Mr. MADDEN. It seems to me it would be desirable and orderly to dispose of section 7 before we go on to anything else, because section 7 closes up the coal proposition which the gentleman from Connecticut presented. But the gentleman from Connecticut objected, but possibly he did not understand. I do not think the gentleman from Connecticut was objecting to closing debate.

Mr. FERRIS. Mr. Chairman, I am perfectly willing to submit the request again if the gentlemen on the other side think it advisable.

Mr. MANN. I think it would be more orderly.

Mr. FERRIS. I ask unanimous consent to recur to section 7 and that it be open for amendment, but that the time for general debate be limited to 25 minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to return to section 7 for the purpose of amendment, and that debate on all amendments be limited to 25 minutes. Is there objection?

Mr. DONOVAN. Mr. Chairman, reserving the right to object, may I have five minutes of that time?

Mr. MANN. Extend the time five minutes.

Mr. DONOVAN. There ought to be some time allowed on this side. Four-fifths of the time is consumed on the other side.

The CHAIRMAN. The gentleman modifies his amendment to 30 minutes.

Mr. DONOVAN. May I have five minutes?

The CHAIRMAN. The Chair hears no objection to the motion to limit the debate to 30 minutes.

Mr. MONDELL. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 5, strike out all of lines 13, 14, 15, 16, and 17, down to and including the word "pounds," and insert the following: "All lessees shall pay a royalty on each ton of 2,000 pounds of coal mined, as follows: For the first 10 years of the period covered by the lease, not less than 3 cents nor more than 6 cents per ton; for the succeeding 10 years, not less than 5 cents nor more than 8 cents per ton; for the succeeding 15 years, not less than 5 cents nor more than 10 cents per ton; and thereafter as Congress may provide."

Mr. MONDELL. Mr. Chairman, the amendment I now offer is in line with an amendment I offered to a preceding section, and intended to modify the form of bidding and leasing. The bill now provides for a minimum of 2 cents a ton, and such higher royalty as may be fixed by the Secretary, and a bonus to be secured under a bidding arrangement. My proposition is to have the royalty fixed by Congress and to definitely determine the important provisions of the lease. I hardly expect the committee to adopt a revolutionary modification of their plan, and yet I believe this is the only plan that will be workable, and I hope it is the plan that will ultimately be adopted. With such a plan there goes a provision for preliminary prospecting, which is absolutely essential for development in the West.

Mr. STAFFORD. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. STAFFORD. What is the basis on which the gentleman determines the royalty that he provides for the various years?

Mr. MONDELL. If the gentleman will notice, the royalties are advanced as the time passes.

Mr. STAFFORD. Why should they be advanced? Why should they not be the same throughout the entire period of lease?

Mr. MONDELL. Well, because a coal operation generally has pretty hard sledding at the beginning of the enterprise. It must find its market; it must pay the initial cost of installation, of driving of entries, and all that sort of thing. Its market is limited; and if the enterprise is well installed and pays, it can afford to pay a larger royalty after a term of years than it can afford to pay at the beginning.

Mr. STAFFORD. But suppose it makes only a normal profit in the first few years; why should it be penalized by a higher royalty in the next few years when it is shown that it can not make an additional profit?

Mr. MONDELL. It is not penalized at all. I am surprised to hear the gentleman from Wisconsin discuss an amendment of mine as though I were attempting to make it hard for the operators in my country.

Mr. STAFFORD. I did not know whether the gentleman was friendly to this bill or not.

Mr. MONDELL. I am not friendly to the form of the bill. The gentleman will recall that I proposed leasing legislation long before it was had, so that the gentleman can scarcely say that I am unfavorable to the proposition. I did not approve the committee's plan, that is all.

I think that the plan of gradually increasing the royalties is a better one than the plan for fixing the royalties for the entire period. I think it is the only plan that can be made to work.

Now, Mr. Chairman, just a moment with regard to section 8. There has been a good deal of discussion about section 8, particularly the portion relating to municipalities. I do not think anyone need be disturbed over the provision in one way or another. I doubt if any municipality will ever take advantage of that section. It will be an extraordinary situation, indeed, when a municipal government will imagine that it can go into the coal-mining business and secure coal cheaper than it can buy it from mining companies.

The CHAIRMAN. The time of the gentleman from Wyoming has expired. The question is on agreeing to the amendment offered by the gentleman from Wyoming.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. MANN. I ask for a division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 13, noes 26.

So the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment: Insert, on page 5, line 25, after the word "thereafter," the words "not less than," and on page 6, line 1, after the second word "and," insert the same words, "not less than."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 25, after the word "thereafter," insert the words "not less than," and on page 6, line 1, after the word "and," where it occurs the second time in the line, insert the words "not less than."

Mr. FERRIS. Mr. Chairman, the committee thinks that makes the language clear, and we are glad to accept it.

Mr. STAFFORD. Question, Mr. Chairman.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

The CHAIRMAN. If no other gentleman desires to use the time allotted, the Clerk will read.

Mr. MONDELL. Mr. Chairman, I move to strike out on page 6 the proviso beginning on line 13.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk reads as follows:

Page 6, line 13, after the word "period," strike out the following: "*Provided*, That the Secretary of the Interior may, if in his judgment the public interest will be subserved thereby, in lieu of the provision herein contained requiring continuous operation of the mine or mines, provide in the lease for the payment of an annual advance royalty upon a minimum number of tons of coal, which in no case shall aggregate less than the amount of rentals herein provided for."

Mr. MONDELL. Mr. Chairman, I can not understand why the committee inserted a provision of that kind in their bill. It can have no effect other than to afford opportunity for tying up coal operations. I can not imagine how anyone would ever take advantage of it except to put an operation in cold storage.

Now, this is the situation under the bill: There is a royalty and a rent. The rent must be paid without regard to operation. If there is operation, the royalty consumes the rent, or the rent is credited on the royalty. But if the output falls below the rent, the rent must be paid in any event.

Now, here is a provision under which the Secretary of the Interior can relieve the operator of the necessity of continuing operation even when there is a market. All that we can require the operator to do at any time or anywhere is to operate as market conditions allow and as he can find a market, and no one should have authority to say to an operator, "You can close your mine; you can keep it closed indefinitely, without regard to the conditions of the market, provided you pay the land rent." Why, you have to pay that under the bill anyway, so that this is simply giving the operator an opportunity to close down his property.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LENROOT. Does the gentleman realize that so far as rent is concerned, although the mine might not be operated for five years, the rent would be paid, but in the sixth year they would be credited the amount of the rent they had paid during the preceding five years?

Mr. MONDELL. They ought not to be, and would not be in any properly drawn coal bill.

Mr. LENROOT. Then why did not the gentleman offer an amendment to change that?

Mr. MONDELL. I intended to offer an amendment to that provision, but there are so many faults in this bill that one can not get an opportunity to offer amendments to all of them. There should not be any provision in any of these bills allowing the rent to be absorbed by the royalty except the rent for the current year. To allow an operator to have credit for rents that have been running for a series of years is simply to encourage him to shut down his property and run his mine with the smallest possible output, if it is to his advantage to do it. Now, that ought not to be allowed.

No public interest is served by this proviso. If it were of any advantage at all to anybody, it would be to an operator who had a market that he did not want to supply for some reason or other. Otherwise he would never think of taking advantage of it. I am not sure that the bill is as clear on that point as it ought to be, but it ought to be clear that he must operate whenever there is a market for his product. That provision would adjust the matter of operation. There should not be any opportunity on the part of the operator to shut down his mine when there is a real demand for coal, putting it in cold storage and depriving the public of the coal.

Mr. GRAHAM of Illinois. Mr. Chairman, while I can not approve of the judgment of the gentleman from Wyoming [Mr. MONDELL], I can very well understand that having given a good deal of attention to a bill on this subject he is not in favor of provisions in this bill which are in conflict with the child of his own brain. As my neighbor, Mr. TAYLOR of Colorado, suggested a moment ago, he is still "harping on my daughter." His mind will reflect back to the creature of his own brain, his bill. It seems to me that in his remarks he reflects in advance rather seriously on some gentleman who will be Secretary of the Interior in the future. He says that when it suits his purpose the operator may shut down the mine; but in saying that the gentleman overlooks the very first line of the proviso—

The Secretary of the Interior may, if in his judgment the public interest shall be subserved thereby.

The operator can not shut down the mine at his own pleasure. He must consult the Secretary of the Interior and have his approval before he can shut down.

Mr. MONDELL. Will the gentleman yield?

Mr. GRAHAM of Illinois. Certainly.

Mr. MONDELL. Does not the gentleman from Illinois think it is a little dangerous to give all this authority to the Secretary, particularly when it is difficult to point out where it is necessary to exercise the authority in the public interest?

Mr. GRAHAM of Illinois. I agree with the gentleman from Wyoming in that regard, and I am not in favor, as a rule, of giving executive officers undue discretionary power; but there are many cases where it is necessary to do it. In legislating you have to choose between difficulties all the time, and if you were to make the provisions absolutely rigid, you would run into greater difficulties than if you gave the officer discretionary power here and there. The work of coal mining is of such an uncertain character, there are so many contingencies and possibilities, that human wisdom can not provide in advance for all those contingencies, and the best way to meet them is to leave it to the wise discretionary power in an officer of such standing as the Secretary of the Interior undoubtedly would be. The Bureau of Mines considers this provision particularly valuable. They write concerning it as follows:

This is one of the practical clauses in the bill, designed to make the same workable in operation. Without said proviso, under the terms of section 7, making the lease continuous, any emergency or exceptional market conditions would compel the forfeiture of the lease if mining operations were not continuous. There may well be periods of industrial stagnation when the demand for the product of the mine will be practically destroyed, or when, because of temporary financial embarrassment or some similar cause, continued operation for a time is impracticable, when the interests of the Government would be amply conserved and at the same time the investment of the lessee would be amply protected by having some such saving provision in the bill. It is only fair to the lessee under such conditions that he should be permitted to hold under the lease upon payment of the advance royalties prescribed by the Secretary, provided the Secretary is satisfied of his good faith in the premises. The leeway given the lessee under the direction of the Secretary by means of this proviso is as much for the Government's advantage as for the lessee's, as it obviates the dismantling of the mining plant. The Secretary can be relied upon to so circumscribe the temporary relief afforded the lessee that the public interests will not suffer.

I think those are wise words, and that the provision is absolutely necessary, because it is beyond the limits of human wisdom to fix provisions now to cover all the cases that might arise in the future.

Mr. TOWNSEND. Mr. Chairman, I want to get from the gentleman in charge of the bill some information that will clear up some doubt in my mind as to the meaning of the language in the beginning of section 7, beginning with line 13:

That for the privilege of mining or extracting the coal in the lands covered by his lease the lessee shall pay to the United States such royalties as may be specified in the lease, which shall be fixed in advance of offering the same.

Offering "the same" what?

Mr. GRAHAM of Illinois. The offering of the leasehold for lease; that is, it shall be uniform. It shall be fixed in advance, so that the personality of the proposed lessee shall not in any way interfere; that all applicants shall have the same opportunity.

Mr. TOWNSEND. It says:

Which shall be fixed in advance of offering the same.

"The same" refers to what?

Mr. GRAHAM of Illinois. The lease.

Mr. TOWNSEND. Does not that assume that the Secretary of the Interior shall have knowledge in advance of all existing coal lands? Does it not ignore the fact that there are just as good geologists prospecting in the West as are occupying positions in the Geological Survey? I think, perhaps, the gentleman will admit that fact. Now, supposing a prospector should discover upon the public lands a deposit of coal unknown to the Secretary of the Interior, how is the Secretary of the Interior to determine what the lease of that shall be, it being an unknown deposit of coal?

Mr. GRAHAM of Illinois. By a careful investigation for the purpose of classifying it.

Mr. TOWNSEND. Then the prospector who discovers it will have to wait until the survey has been made.

Mr. GRAHAM of Illinois. And the classification; yes.

Mr. TOWNSEND. Possibly a year or two?

Mr. GRAHAM of Illinois. Some waiting would be necessary; I can not say how long. There are already 53,000,000 acres withdrawn, and of those 20,000,000 acres have already been classified.

Mr. TOWNSEND. I have read the report with a great deal of interest, and the gentleman who wrote it so skillfully even suggested the question that I put, that there may be in the public lands much coal that has not yet been classified or discovered by the Geological Survey.

Mr. GRAHAM of Illinois. Quite true.

Mr. TOWNSEND. Assuming, then, that some geologist or prospector should find a new bed of coal as a reward for his labor and expenditure of time and money, he is to sit still for a

year, until it is classified, before his rights to a lease can be determined?

Mr. GRAHAM of Illinois. It would be very difficult to frame a bill to which some possible objection might not be urged.

Mr. TOWNSEND. I am not captious about this. I have a great deal of knowledge of the prospector, his life and unhappy attempts to procure a livelihood, and it has occurred to me that some provision might possibly be made in his behalf.

Mr. GRAHAM of Illinois. I was going to add that the law in relation to the discovery of precious metals has no application to the coal lands. Under the law the geologist or prospector who finds such a bed of coal would have no right such as he would have in relation to precious metals.

Mr. TOWNSEND. How would that coal be put into the market?

Mr. GRAHAM of Illinois. It would have to be withdrawn and come under the provisions of this bill.

Mr. TOWNSEND. Consequently there is no inducement whatever for these prospectors or geologists to discover for the Government new coal beds, because they would get no reward.

Mr. GRAHAM of Illinois. No; and that has never been the case. No prospector would spend his time hunting for coal beds.

Mr. TOWNSEND. But they have done so for many years heretofore.

Mr. GRAHAM of Illinois. They have discovered them accidentally, perhaps.

Mr. TOWNSEND. No; they have prospected for them diligently over the lands in California before the discovery of oil.

Mr. GRAHAM of Illinois. On the public lands?

Mr. TOWNSEND. Yes; before the discovery of oil.

Mr. GRAHAM of Illinois. Oil is entirely different from coal. The discoverer of oil has his reward.

Mr. TOWNSEND. I am aware of that fact. The gentleman from Illinois, with a smile at my ignorance, assures me that no one would prospect for coal. I assure him that people have prospected diligently with labor and capital for coal in California. That was in a search for fuel so much needed in that State before the oil discovery.

Mr. GRAHAM of Illinois. The gentleman knows his good friend too well to presume on the gentleman's ignorance, and he is too courteous to smile at it.

Mr. TOWNSEND. I suppose the gentleman from Illinois did not know that I know a great deal about this subject, and that he smiled in a genial way.

Mr. GRAHAM of Illinois. The gentleman from Illinois meant no offense by smiling, and he certainly would not offer any to his friend from New Jersey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming.

The question was taken; and on a division (demanded by Mr. MONDELL) there were 3 ayes and 18 noes.

So the amendment was rejected.

The Clerk read as follows:

PHOSPHATES.

SEC. 9. That the Secretary of the Interior is hereby authorized to lease to any person qualified under this act any deposits of phosphates or phosphate rock belonging to the United States, under such regulations and upon such terms as are herein specified, through advertisement, competitive bidding, or such other methods as the Secretary of the Interior may by general regulations adopt.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word. The provisions of this bill with regard to mining of phosphate, in regard to the working of the Government phosphate lands, provides for a system of royalties to be fixed under lease. The bill evidently contemplates that these royalties shall be bid upon by those desiring to operate the mines. In that respect it differs from the coal provisions that we have just read, which evidently contemplates a bonus rather than an increase of royalties. If this bidding system is wise at all, this form is better than the form contemplated under the coal provisions of the bill. I simply mention that, as the committee may go over the matter later, and they may consider the propriety of changing the provisions relative to coal.

Mr. MANN. Will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. MANN. What is the distinction the gentleman makes between the two?

Mr. MONDELL. If the gentleman from Illinois will refer to the coal provisions, he will find that the first provision in regard to royalty taken in connection with the provision in section 7 would prevent a bidder bidding an increased royalty, because section 7 says that the royalties shall be such as have been fixed in advance of the offer.

Mr. MANN. That is the case here, too.

Mr. MONDELL. In this case the provision is that the royalties may be such as are specified in the lease, which shall not be less than 2 per cent. That is practically the provision in the Alaskan law, and is not followed, as in the coal law, by a provision actually fixing the royalty fixed by the Secretary as the royalty to be paid. So I have assumed that under this language the bidder could bid on royalties, but I may be mistaken.

Mr. MANN. I think the gentleman's position is right. I think there ought to be a chance to bid on royalties. That is the way it was fixed in the Alaskan bill. This provides that the royalties shall be fixed in advance.

Mr. MONDELL. My interpretation of the language was that it refers to a royalty fixed in advance by the Secretary, but that it did not fix that royalty as necessarily the royalty to be paid, but that the royalty could be raised by the bidder. In the case of the coal bill there is a second provision following later on which says that the royalty that shall be paid shall be the royalty fixed in the lease, which is the royalty which the Secretary shall fix in advance.

Mr. MANN. But this section says the royalty specified in the lease shall be fixed in advance. There is no escape from it.

Mr. MONDELL. It is possible that this language really reaches the same situation that the language in the coal bill does. If it does, I think both should be modified, for if these leases are to be let to the highest bidder the bidder, it seems to me, should bid on increased royalties rather than on bonuses; otherwise the man with the biggest bank roll wins. The bonus plan gives the advantage to the man who has cash in hand as against the operator who might be willing to pay a larger royalty, but who would not be in a position to make an investment at the time he opened his mine, and if I am mistaken in my view of the provisions of this section, as the gentleman from Illinois [Mr. MANN] seems to think I am, then I think it requires modification, just as the coal provision does. I do not believe in the bidding plan, but if that is to be the plan adopted it should be with a view of increasing the royalties as fixed by the Secretary.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MANN. Mr. Chairman, I have already expressed the opinion on the coal provisions of the bill that there ought to be a chance in bidding to bid either on royalty or on rental. The bill gives no such opportunity. It requires, if there is to be any bidding, that there shall be a cash bonus, as I read the bill. The royalty is fixed in advance, and the rental is fixed in advance, upon the supposition, which undoubtedly the department entertained, that it can tell as between different coal deposits exactly what a man can afford to pay for the mining of the coal. I do not think they have that omnipotence myself, and, of course, where you require a cash bonus and a bid as to how much people will pay as a cash bonus, you give the preference entirely to large corporations. But I notice in this section now under consideration a provision in regard to bidding, that it shall be through advertisement, competitive bidding, or such other methods as the Secretary of the Interior may by general regulations adopt. That throws it open in the widest way for personal favoritism. It cuts off public advertising. It permits public advertising, but it does not require it.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. MANN. Certainly.

Mr. FERRIS. The gentleman will recall that in the Alaska coal bill, where the lignite had value only for local use, and probably never would have sufficient value to warrant paying the shipping expenses, we allowed the Secretary to dispose of it other than by competitive bids, as the committee thought that would be less expensive than the competition plan would stand. The gentleman is well aware that in neither the department nor in Congress is there anyone to be found who knows all about phosphates. We all hope that the phosphates are much more bulky than we now know about, and neither does anybody know all and everything about handling phosphates in the West. The freight rates have been prohibitive. What little phosphates have been handled have been in Tennessee and Florida, were the soil is beginning to play out; but out in the West the thought of the department was that we better express strong preference for competitive bidding, but also that we better give the Secretary considerable latitude to work out a plan, to at least get something going on in the matter of phosphates, where the bulkiness and the weight and the heaviness of it would in most cases be prohibitive, anyway. In the dry soil of the West, where they have little rain to drain and soak the land, they do not need as much phosphate on the ground as they do in the more humid areas, and for that reason we have to get the phosphate proposition down to a shipping basis to amount to anything. It was thought for that reason that we better leave a little latitude in the Secretary. The committee, however, is not wedded to any certain

plan, and would be very glad to consider any suggestion or amendment the gentleman might make.

Mr. MANN. Mr. Chairman, I would strike out that part which says "or such other methods as the Secretary of the Interior may by general regulations adopt."

I think that is leaving a dangerous power in the hands of the Secretary of the Interior. I do not raise any question but that the Secretary himself would do what is proper, but everywhere in the departments of the Government there are men who get inside information and sometimes want to make use of it. The gentleman speaks of phosphates. I do not know as to the relative needs as between humid and dry lands. On the farm in which I have some interest in Illinois we have purchased phosphates by the carload, coming from Tennessee—phosphate rock which is sometimes ground up and sometimes is not ground up.

Mr. FERRIS. The gentleman understood me to say that it was more needed in the humid areas than in the West.

Mr. MANN. Yes; but I did not suppose the gentleman knew, and I did not take him seriously. In the West they have not yet discovered that they need to take care of the land. They are exhausting the land. We have discovered farther east that you can not keep on forever taking crops off land without putting back some of the natural elements which go to make up crops.

Mr. GRAHAM of Illinois. Mr. Chairman, the difficulty that confronted the committee, so far as public lands which have phosphate in them are concerned, was that the committee had not any specific information, and the committee feared that if it attempted to fix the details they might be such as to prevent the development of phosphate beds altogether.

Mr. MANN. Yes; but the committee does attempt to fix details. What it does is to say that a man must pay a rental of so much an acre, and then he must pay 2 per cent of the value of the phosphate in the mine in the months following its taking out, although it may not yet be sold. I would not do that. It is desirable to let the farmers have the phosphates upon the cheapest possible basis, but if you are going to let people take the phosphate why should it not be on competitive bidding?

Mr. GRAHAM of Illinois. It was the committee's notion that the Secretary of the Interior at the time would have a much better opportunity to know the environment and meet all the conditions than we could even by an arrangement for competitive bidding.

Mr. MANN. But the Secretary of the Interior under this has to do this by general regulations. I think the Secretary of the Interior should have the power where phosphate land is made use of to take out the phosphate to keep the price down to a reasonable basis. Here is a phosphate deposit, we will say. I suppose none of the phosphate deposits are of very great value, because there is a good deal of phosphate rock in the country, and yet they are of some value. The desirable thing to-day is to have that phosphate taken out and, if it is rock, ground up or broken up, whatever method is used, so that it may be furnished to the farmer as cheaply as possible. I do not think we ought to permit the owner of that land to charge an exorbitant price to the farmer, but the Government does not want to make any profit out of that as against furnishing it to the farmer.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN. Give me two more minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN. The phosphate that goes on farming land is not consumed by the farmer——

Mr. GRAHAM of Illinois. That is the idea of the committee.

Mr. MANN. It goes to the benefit of the whole country. It produces larger crops. It cheapens the cost of the food which we eat, and while not taking away from the profit of the farmer who raises it it makes it cost less to the consumer. Now, I think this is an entirely different proposition from that.

Mr. FERRIS. Will the gentleman yield at that point?

Mr. MANN. I do.

Mr. FERRIS. I quite agree with the gentleman and coincide with everything that he says, but let me submit this: If you put it on a cold competitive basis in every case, might not you do the thing which the gentleman's argument says we should not do?

Mr. MANN. Well, there is danger of that unless the Secretary has some power to control the cost at which the article is sold to the consumer.

Mr. FERRIS. The gentleman knows that is a pretty difficult question to get at.

Mr. MANN. I understand that it is rather a difficult question, but everybody ought to be on the same footing in the matter. What I object to in governmental legislation is giving a preference to one man who has a pull over another man who does not have a pull, and I have heard of times where people were supposed to get favors or rights, or whatever you might call them, from different departments of the Government by political pull or any kind of pull.

Mr. LENROOT. Mr. Chairman, it is my recollection that the committee, in considering this matter, had in mind this, that phosphate rock is used in two forms—one, which is quite expensive, is in the reduction of the rock to the phosphates themselves; another method of use is merely the grinding of the phosphate rock and putting it upon the land in the raw state—and it was thought by the representatives of the department who appeared before the committee that there were areas in the United States where the localities might use them, would use them, in the raw state, and therefore there should be a discretion upon the part of the Secretary of the Interior, having that particular thing in mind. It is only where the phosphate rock is reduced, where it involves large expense, that the necessity for competitive bidding would arise; that in other cases it would be the same as in the case of the low lignite coals in Alaska. Another word, Mr. Chairman, in reference to this question of royalty. I am greatly in sympathy with what the gentleman from Illinois [Mr. MANN] said as to whether there should be a bidding upon the royalty or upon the bonus only. I desire to call attention to the fact that in the Alaska coal railroad bill an amendment was made that cut out the provision requiring the Secretary to fix royalties in advance, and as a result, unless it shall be changed, if it shall remain the law as amended by the House, it will permit monopoly in Alaska to the utmost extent, because as the bill now stands, if the bill should be amended cutting out the fixing of royalty in advance, the Secretary of the Interior, if he offers a lease at all, he must offer it upon the minimum royalty, and if anyone bids the amount of the minimum royalty or in excess of it, the Secretary of the Interior would be compelled to accept that bid.

Mr. MANN. Will the gentleman yield?

Mr. LENROOT. Yes.

Mr. MANN. As I read that bill, it does not require the Secretary of the Interior to offer upon the minimum royalty at all. The Secretary of the Interior can not offer an Alaska coal lease for less than the minimum royalty, but he can add as much more as he pleases.

Mr. LENROOT. I differ with the gentleman, because the bill in itself fixes the minimum royalty, and there is no word in the bill that authorizes the Secretary of the Interior to fix a higher minimum.

Mr. MANN. Oh, I think the gentleman is entirely mistaken.

Mr. LENROOT. I have examined the bill most carefully.

Mr. MANN. The fact that the gentleman thinks so, of course, shows doubt about it. I examined it most carefully before I offered the amendment which I did upon the floor, and I say the Secretary of the Interior clearly has the power under the Alaska bill in offering coal lands to fix a royalty of 8 cents a ton, if he wants to, or 3 cents a ton, if he wants to; anything which is not less than 2 cents a ton, which is the minimum royalty permitted, but he can fix as much more as he pleases.

Mr. LENROOT. I shall be greatly interested and relieved if the gentleman will show me where that power is vested in the Secretary.

Mr. MANN. I have no question about it.

Mr. LENROOT. I will say to the gentleman I have had occasion to consider that with the departmental officials since it came to my attention, and they give it the same construction I do, and I only say that, Mr. Chairman, for the purpose of calling attention to the danger of amending this bill, which involves the same provision in an important particular as this, unless it shall be followed with other amendments clearly authorizing the Secretary of the Interior to fix the minimum royalty.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last two words.

Mr. FERRIS. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent that at the expiration of five minutes all debate shall close on this paragraph.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that at the expiration of five minutes all debate on this paragraph and amendments thereto be closed. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. Mr. Chairman, before we get entirely away from the coal clauses in this mineral-leasing bill, I want to call attention to what may be considered the first gun in bureaucratic agitation for Government-owned and Government-built railroads. I refer to the prospectus that has been put out in order to solicit bids for the timber in the Kaibab Forest Reserve, which lies in New Mexico, just below Utah, and which runs down to the Grand Canyon of the Colorado. The most likely route to this great forest reserve is from Salt Lake.

On the way down to the Kaibab Forest Reserve are four gigantic Utah counties, within the boundaries of which lie a great coal field. In the argument put forth by a department of this Government for the necessity of a $3,000,000 railroad in order to get the timber out of the Kaibab Forest Reserve, which consists of 1,000,000 acres, and up to Salt Lake, which is about the only route, your governmental officers argue that the opening of this coal field will be to the profit of the railroad. The coal field would be directly tapped by a railroad to the Kaibab Forest.

Now, we who have been listening to debate on this bill have found that in the leasing of coal areas on the public domain particular arrangement has been made in this bill so that a railroad shall not participate in the opening of any coal mine. So you are going to find in the course of time the Government cutting down the price of stumpage in this forest reserve to induce private capital to build that $3,000,000 railroad; or, if the Government builds that railroad, we will find that we have debarred the Government from the use of that coal. This official prospectus says that if some one will only put $2,750,000 in this Kaibab Forest proposition down there, the investor can, by counting up what he can make by freighting logs, hogs, cattle, and hay—a logging road, mind you—make further money by carrying passengers. The investor's chances are good for making $164,000 annually, or $264,000 if figured in connection with milling. This is all put down here—the cost of milling and logging operations and operations of all kinds—looking very good, indeed. No taxes, no employers' liability. Where, oh where, is the man with $3,000,000?

This is a most remarkable document—an invitation to bidders to come on and try to get that timber in a locality where the people have offered for years past every kind of bonus and inducement that could be offered to induce capital to build such a railroad. Now is the time for those who are advocating these leasing systems to pay some attention to what must ultimately follow. The building of railroads by the Government is urged, if we are to develop the forest reserves and adjacent country, including great coal and other tracts that under these bills are bound to be laid aside, except where they exist near dense population, where all the conditions are alluring.

I feel sure that the Representatives from Utah and New Mexico would advocate the building of this particular railroad to the Kaibab. I would like to see railroads into the three reserves in the district I have the honor to represent. And so it will go until the clamor will be irresistible, backed up, as it will be, by departments, bureaus, experts, and agents.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. JOHNSON of Kentucky having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4274. An act to authorize and require an extension of the street railway lines of the Washington Railway & Electric Co., and for other purposes.

The message also announced that the President had approved and signed joint resolution of the following title:

S. J. Res. 121. Joint resolution authorizing the President to accept an invitation to participate in an International Exposition of Sea Fishery Industries.

EXPLORATION FOR COAL, ETC.

The committee resumed its session.

The CHAIRMAN (Mr. HAY). The Clerk will read:

The Clerk read as follows:

SEC. 11. That for the privilege of mining or extracting the phosphates or phosphate rock covered by his lease the lessee shall pay to the United States such royalties as may be specified in the lease, which shall be fixed by the Secretary of the Interior in advance of offering the same, which shall not be less than 2 per cent of the gross value of the output of phosphates or phosphate rock at the mine, due and payable at the end of each month succeeding that of the extraction of the phosphates or phosphate rock from the mine, and an annual rental payable at the date of such lease and annually thereafter on the area covered by such lease at such rate as may be fixed by the Secretary of the Interior prior to offering the lease, which shall be not less than 25 cents per acre for the first year thereafter, 50 cents per acre for the second, third, fourth, and fifth years, respectively, and $1 per acre for each and every year thereafter during the continuance of the lease, except that such rental for any year shall be credited against the royalties as they accrue for that year. Leases shall be for indeterminate periods upon condition of a minimum annual production, except when operation shall be interrupted by strikes, the elements, or casualties not attributable to the lessee, and upon the further condition that at the end of each 20-year period succeeding the date of the lease such readjustment of terms and conditions may be made as the Secretary of the Interior shall determine unless otherwise provided by law at the time of the expiration of such periods.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

I spoke a moment ago about this system of bidding, royalties, bonuses, and so forth. At that time I was inclined to think that under this section it would be possible for the intending lessee in making his bid to bid a royalty and a rent above that fixed by the Secretary, and that the letting of the lease would be determined largely by the amount so bid. The gentleman from Illinois [Mr. MANN] did not agree with my view of it, and I understand that the gentleman from Wisconsin does not. After reading the section again, I am not sure that I was right. If these gentlemen are right, then this section has the same faults that the coal sections have, to which I have referred. It is proposed to leave to the Secretary of the Interior the entire question of royalties, and all the bidder can do is to bid a bonus. Clearly that gives advantage to the man with a large bank account or who can secure large sums in cash. It further has this fault, that there unquestionably will be cases where the Secretary will find it very difficult to determine in advance what would be a fair royalty, and still he must accept a royalty; that he fixes in advance.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. GREEN of Iowa. Can not the gentleman go even further and say it would put it absolutely out of the power of the man with small capital to bid on these areas, for the reason that he would not have the money to advance, and that it puts a monopoly of it in the hands of large capital?

Mr. LENROOT. Will the gentleman yield there?

Mr. MONDELL. Yes.

Mr. LENROOT. All the gentlemen assume in their discussion that this must be a cash bonus paid down. I ask where the gentlemen get any such construction or idea? Is there anything to prevent a bidder from bidding certain sums to pay in annually, if they choose, during the life of a lease, in addition to the royalty?

Mr. MONDELL. I admit I do not know what curious propositions might be advanced by a bidder. My understanding is that this plan was imported from Oklahoma, and that in Oklahoma they bid a cash bonus. Am I correct about that?

Mr. FERRIS. I did not follow the gentleman.

Mr. MONDELL. I have said that my understanding is that this plan was adopted from a plan that has been in use in Oklahoma, this plan of bidding, and that down there the bidders have all cash bonuses.

Mr. FERRIS. If the gentleman will yield just a moment I will state to him just what the situation is.

In my State the land leased is Indian lands, and, as the gentleman knows, coal deposits and oil and gas deposits on the unallotted lands are held by the Federal Government for the Indian, who is a ward of the Government. And they have pursued that policy with the oil and coal lands and with other reserved land. While I suppose there are objections there, and frailties, as elsewhere, it has proven a very good plan and great development is going on. I will state to the gentleman that our State, as far as I know, is the only State where they lease practically all of the deposits. I have a schedule here of all the land in each State that is being mined at all for coal, oil, or gas, and, probably to the gentleman's amazement, in my State practically all of it is being leased. And while, as I say, we have frailties and troubles there, as well as elsewhere, it appears to be the best way to handle it for the Indian.

If the land had not been leased for coal and oil and gas, it would have been lying there and the cattlemen would have been paying about 3 cents an acre for grazing purposes, whereas the royalties from coal and the royalties from oil the Government is collecting for them and putting in the Indian funds amounts to a large sum that will go to the use of the Indian in the future rather than force the Federal Government to support them from Federal Government funds. The plan is not a new one. It is employed right along by most all of the Western States that own State lands.

Mr. MONDELL. The gentleman did not understand my question exactly.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MONDELL. The gentleman has eloquently stated the benefits of leasing in his State. There is no controversy. I guess, among the most of us as to the propriety of leasing some of these lands one way or another. The question is as to the form and plan.

My understanding is, as I said a moment ago, that this plan of fixing a royalty in advance and the rent in advance and then calling for bids for bonuses is a plan that we inherit from Oklahoma, and it may be all right where the land belongs to the Indians and we are trying to get the very largest sum for the Indians without much regard to the other factors of the situation, and where the coal is mostly mined by a few great coal companies, principally the railroads, and where there is largely a monopoly of coal mining. I do not know that it is a harmful one, but it is largely controlled by a few great companies. Now, we are not proposing any such plan as this here. We are endeavoring to divide up these mines. The plan of the bill is that no one person shall be interested in more than one lease. I do not think that is practicable, when you take into consideration the vast areas over which coal is mined in the United States. But, at any rate, that is the plan of the bill.

Now, I do not approve of the bidding plan at all. I do not think it is wise. I do not think it is workable. But if we are to have a bidding plan, the bidder should be allowed to bid on royalties and rent, just as the gentleman from Illinois has suggested. Even that hardly gives everyone an equal opportunity, because even in that case the man with the largest bank roll can probably pay the largest rent and the largest royalties. At any rate, it does practically keep out the man who does not happen to have a large amount of cash on hand, so that the plan is not only faulty as a whole, as I see it, but it is also peculiarly faulty in detail, in that it invites bids for bonuses, which only men with considerable capital can afford to give.

We should lease these phosphate lands under conditions which will make the production of phosphate as cheap as possible. We should surround them with no conditions that will enhance the price of phosphate. It is an exceedingly necessary article. We do not mine phosphate out in the West, in the territory that will be affected by this bill, as cheaply as it is mined in the South and Southeast or as cheaply as it is mined abroad. Labor is high, and the rock has to be mined under heavy cover and taken out as coal would be. It can not be quarried as it is in many other places, and it costs a good deal to bring it to the surface. It is a long distance to most of the territory where a large market is found. The result is that the rock must be produced very cheaply if it is to be mined out there in any considerable quantity.

The gentleman from Illinois has objected to the portion of the section which, after reciting the methods under which the Secretary may lease, gives him authority to lease in any way he sees fit. In other words, having laid down some rather loose and not altogether adequate rules, we say that, after all, the Secretary need not regard any of these rules if he does not want to.

That is not good legislation. The rule should be the same with regard to all of these enterprises. There should not be an opportunity for favoritism, as there will be under provisions of that sort. There is a provision of that sort in the Alaskan coal bill. There is a provision of that sort in the coal section that we have just passed over, and all of these provisions will afford opportunity for favoritism, and will, in my opinion, unquestionably lead to scandal.

Mr. GREEN of Iowa rose.

Mr. FERRIS. Mr. Chairman, I ask that the debate close on this paragraph at the expiration of five minutes.

Mr. GREEN of Iowa. Three minutes is all I want, so far as I am concerned.

Mr. FERRIS. Make it three minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma [Mr. FERRIS] asks unanimous consent that debate on this paragraph close in three minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] is recognized.

Mr. GREEN of Iowa. Mr. Chairman, I do not think the suggestion offered by the distinguished gentleman from Wisconsin [Mr. LENROOT] answered the objection which I made to this provision. The man with small means can no more afford to take the risk of being absolutely obliged to pay a certain sum because it is distributed over a number of years than he could if it were fixed for him to pay at a particular time. In order that he should make any bids and undertake to mine these rocks he must know that he will have something out of his mining operations with which to make his payments, and the royalty system is the only plan by which he can have that knowledge. It is the only system under which he would not be obliged to pay unless he got something out of which he could make his payments.

If the royalty system is enforced and put into operation by the bill, then the small operator would need but little means, possibly none at all, in order to make his bids, because as soon as he got his rock out of the mine and it was found that he was subject to the payment of royalty he would have value which anybody could see upon which to raise money to pay the royalty.

That is all there is in this situation. I object to the provision, because it cuts out the man with small means, and because it does not give to everyone an equal opportunity.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OIL AND GAS.

SEC. 13. That the Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to grant to any applicant qualified under this act a prospecting permit, which shall give the exclusive right, for a period not exceeding two years, to prospect for oil or gas upon not to exceed 640 acres of lands wherein such deposits belong to the United States and are located within 10 miles from any producing oil or gas well, and upon not to exceed 2,560 acres of land wherein such deposits belong to the United States and are situated over 10 miles from any producing oil or gas well, upon condition that the permittee shall begin mining operations within four months from the date of the permit, and shall, within one year from and after the date of permit, drill an oil or gas well to a depth of not less than 500 feet, and shall, within two years from the date of the permit, drill oil or gas wells aggregating in depth not less than 2,000 feet. Whether the lands sought in any such application and permit are surveyed or unsurveyed the applicant shall, prior to filing his application for permit, locate such lands in a square or rectangular tract, the length of which shall not exceed two and one-half times its width, and if he shall cause to be erected upon the land for which a permit is sought a monument not less than 4 feet high, at some conspicuous place thereon, and shall post a notice in writing on or near said monument, stating that an application for permit will be made within 30 days after date of said notice, the name of the applicant, the date of the notice, and such a general description of the land to be covered by such permit by reference to courses and distances from such monument and such other natural objects and permanent monuments as will identify the land, stating the amount thereof in acres, he shall, during the period of 30 days following such marking and posting, be entitled to a preference right over others to a permit for the land so identified. The applicant shall, within 90 days after receiving a permit, mark each of the corners of the tract described in the permit upon the ground with permanent monuments, so that the boundaries can be readily traced, and shall post in a conspicuous place upon the lands a notice that such permit has been granted and a description of the lands covered thereby: *Provided*, That in the Territory of Alaska prospecting permits may be granted for periods not exceeding four years, actual drilling operations shall begin within two years from date of permit, and oil and gas wells shall be drilled to a depth of not less than 500 feet within three years from date of the permit and to an aggregate depth of not less than 2,000 feet within four years from date of permit: *And provided further*, That in said Territory the applicant shall have a preference right over others to a permit for land identified by temporary monuments and notice posted on or near the same for six months following such marking and posting, and upon receiving a permit he shall mark the corners of the tract described in the permit upon the ground with permanent monuments within one year after receiving such permit.

Mr. MONDELL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Strike out section 13 and insert the following:

"That the Secretary of the Interior be, and he is hereby, authorized, for and on behalf of the United States, to issue licenses granting to holders thereof the exclusive right to prospect for oil and gas on the vacant public lands of the United States and on lands located, selected, entered, purchased, or patented with a reservation to the United States of the oil and gas contained therein, and to execute leases authorizing the lessee to produce and remove oil and gas from such lands. No license shall pertain to an area of more than 2,560 acres, and no lease shall pertain to an area of more than 640 acres, and all such areas shall be in reasonably compact form, and not more than 3 miles in extreme length in the case of a prospecting license and not more than 1½ miles in the case of a lease, and conform to the public-land surveys in all cases in which said surveys have been extended over the lands. No prospecting license shall be issued for a longer period than three years. All licensees shall pay yearly in advance a fee or rental of 5 cents per acre for the land covered by their license. Lessees shall pay in advance a rental of 10 cents per acre for the first calendar year or fraction thereof, 25 cents per acre for the second year, and not less than $1 and not more than $4 per acre for each succeeding year. The sums paid for rent by a lessee shall in every case be a credit upon the royalties that may be due for the same year. All lessees shall pay a royalty of one-tenth of the value, at the well, of all oil and gas produced. All leases shall be granted for such period as the lessee shall designate, but in no event for more than 30 years; but all lessees who have complied with the terms of their leases shall have a preferential right to an extension of their lease for a period not to exceed 20 years, upon such conditions and the payment of such rents and royalties as Congress may prescribe.

"SEC. 2. That any person over the age of 21 years who is a citizen of the United States, or any association or corporation composed of such persons, may apply for a license to prospect for, or a lease to

produce and remove oil and gas from the lands herein described, and upon compliance with the provisions of this act and the rules and regulations promulgated thereunder shall be granted a license or lease as provided herein."

Mr. MONDELL. Mr. Chairman, the amendment that I have offered provides for a prospecting permit, as the section which is under consideration does, and it provides for leases at a fixed royalty for such portions of the land covered by the prospecting permit as the lessee may desire within certain limits of area, the limits of the lease being the same as those prescribed in this section.

My amendment does not contemplate, as this section does, the patenting of oil lands. I realize that there is a good deal of sentiment in the western country in favor of the provision contained in this bill for the issuance of a fee title to a certain portion of land. The trouble about that is that it greatly complicates the situation, and in the majority of cases it would be more to the advantage of the operator and more to the public interest if the entire plan were confined to leases of sufficient size to make drilling and operating attractive.

My own view is that if we are going into the leasing business we should not have that plan in any way involved or complicated by a system of patents or individual rights in fee. There is another objection to that provision. In order to give the permittee under this section the right which he is given in another section to secure a title in fee to a certain part of his land and harmonize with the other sections of the bill his rights are very greatly limited; so greatly limited that I doubt if it will be possible to secure any considerable amount of development in a new field, where so-called wildcatting must be carried on, where the driller goes in with just a shadow of hope that he may secure oil, and where the chances are always largely against him. It is proposed to give the prospector in a new field, the wildcatter, the title to 160 acres of land and to give him no preference in the matter of leasing the remainder of the lands embraced within his permit.

First there is the question as to whether we should give him a fee simple title to any of the land. If we do it, we should give him enough under the bill to warrant his undertaking, particularly if the drilling is deep and expensive. Of course 1 man in 10,000 will strike a spouter. The average driller, however, must enter upon this work with the understanding that the chances are against him, and he must have some considerable incentive held out to him, or else he will not take an expensive rig into a new territory and go to the very great expense—all the way from $10,000 to $100 000—of bringing in the first well in a new field, with the possibility—in fact the more than even chance—that he will get nothing. It seems to me the plan is faulty in two respects; first, in complicating the leasing plan by adding to it a plan of ownership in fee, and, second, in not giving the driller in a new field sufficient incentive to warrant his undertaking. Let us have a leasing plan liberal enough to aid development, or if we are to have a leasing and ownership plan let us make that liberal enough to encourage development.

The CHAIRMAN. The question is on the amendment of the gentleman from Wyoming [Mr. MONDELL].

Mr. COOPER. Mr. Chairman, I should like to have some member of the committee explain why they put in a provision which permits the patenting of oil lands in fee.

Mr. FERRIS. I am glad to answer the gentleman. I might, if I had the time, answer him more eloquently by reading what the department says. The thought is this: In the West no one can tell where oil can be found. It is an expensive, heavy proposition to discover it, to drill for it, to develop it. The Secretary of the Interior thought that if he could offer the inducement of one-fourth the area developed as a bait, as an inducement, as an encouragement for men with oil-drilling rigs to go out and find the oil, reserving three-fourths to the Government, it would be well worth their while. There are men who make it a business, year in and year out, of going from place to place with derrick and drill, and these men are constantly pounding away trying to find oil.

Mr. COOPER. Why would not that same idea apply to any other sort of prospector?

Mr. FERRIS. It does apply to the prospector for precious metals. As the gentleman knows, the prospector for precious metals gets the entire area. But it is not true as to the coal. We know pretty definitely where the coal is. We know pretty definitely where the phosphates are and where the potassium and sodium are, but no living soul knows where oil will be found. No one supposed that oil would be found in Oklahoma, and years ago even the Indians would not go there until compelled to do so. White men likewise hesitated to go there to make their homes. Yet to-day oil is being found all over that State. Years ago no one thought Illinois had oil. Years ago no one thought Indiana had oil. Years ago no one thought California had oil; still to-day she is second only to Oklahoma in the production of oil. Yet California is still a public-land State. My thought is that if you can get men to devote their experience and their money to going out and developing oil fields, the Government will get three-fourths of the oil land discovered every time that the oil prospector gets one-fourth. In California they have to go down 2,000 feet to strike oil. It costs from $5,000 to $10,000 to drill a single well. Sometimes they will lose a drill at the bottom of a well 1,500 feet deep. Then they have got to buy a new drill and put up a new derrick and begin all over again, because they can not drill through the steel-point drill that is in the bottom of the well.

The department, in two very able dissertations on the subject, thought that if we could reserve three-fourths to the Government and give the prospector one-fourth we would do all we could hope to do and get development. That was the idea of the committee. That plan has been well thought out. There should be reward where reward is due. The man that finds oil is entitled to at least one-fourth of the find. But for his energy, probably the land would pass to private ownership as a part of some homestead and the Government would get nothing.

Mr. BATHRICK. Will the gentleman allow me to interrupt him?

Mr. FERRIS. I yield to the gentleman from Ohio.

Mr. BATHRICK. What is it expected to do with the other three-fourths? Does this bill provide that the Government shall retain them?

Mr. FERRIS. For leasing, yes; on a royalty basis. As the gentleman knows, the Navy has practically abandoned the use of coal. The Navy uses oil nearly altogether.

Mr. BATHRICK. Is there any purpose of the Government to try to get oil for the Navy? That is a subject in which I am interested.

Mr. FERRIS. Oh, undoubtedly, if there is undiscovered oil in the West and the Government can induce men with oil drills and experience to go out and find it, and it only has to surrender one-fourth of the land, it is an inducement.

Mr. BATHRICK. Let me make myself clear. Is it the intention of the Government to produce oil on its own behalf?

Mr. FERRIS. I do not think so, unless there be an emergency. Of course, the thought is to lease three-fourths of the land to private oil drillers, who will go ahead and produce the oil and pay a royalty to the Government.

Mr. BATHRICK. Then the Government will not be materially benefited in the matter of the production of oil for the use of the Navy, except as heretofore, by buying it and paying for it.

Mr. FERRIS. Why not? The Government receives a royalty from every barrel of oil produced from the leased area under the bill.

Mr. BATHRICK. That is very true; but the Government has oil lands, and the Government might produce the oil and save an immense amount of money if it chose to do so. The mere payment of a royalty by a private lessee will not help the situation any.

Mr. FERRIS. As the gentleman knows, the way the Government will produce the oil will be to hire some man with an oil drill to produce it.

Mr. BATHRICK. Here are 160 acres on which oil has been proved to be located. Why have not you provided that the Government may go on the section which is thus proven to have oil and get oil for itself? That is no risk.

Mr. FERRIS. Congress has the right to do it, and we provide how they may lease it and reserve the royalty for the Government. We do not now launch the Government in actual oil drilling.

Mr. BATHRICK. One other question. In the bill you provide that the lessee is obliged to drill 500 feet and 2,500 feet. What is the use of that if the oil or gas is procured at a lesser depth?

Mr. FERRIS. We thought if they should drill more wells it would make the field more valuable and certain.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BATHRICK. Mr. Chairman, I ask unanimous consent that the gentleman have two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BATHRICK. Now, the gentleman knows that after a well is drilled, the geological formation will indicate practically whether there is any oil to a very considerable depth below the point where they get the oil in paying quantities.

Mr. FERRIS. Let me suggest that my experience does not quite coincide with that of the gentleman. In California in the Coalinga and San Joaquin field there is an oil pool 125 miles in length and 2 or 3 miles wide. If you drill 3 miles on either side you strike a dry well, or what is called in oil parlance a "duster," and in a duster you get nothing. You can not lay down any fixed rule in regard to oil wells.

Mr. BATHRICK. Will not the gentleman concede that you can lay down this rule, that if they procure oil and gas at less than 500 or 2,500 feet, the Government ought not to make them drill any deeper?

Mr. FERRIS. It does not. The gentleman from Ohio, Mr. WHITE, and the gentleman from Ohio, Mr. BATHRICK, have both suggested that the language might be misinterpreted; that the provision might mean that after they had drilled and struck oil they must drill still farther. There is no such purpose intended here; it is merely that there should be drilling during the first year of 500 feet, and in two years they should drill to the extent of 2,000 feet; but if they strike it at 1,000 feet, drilling then in two wells, they will fulfill the requirement and not have to drill any farther. The oil people that appeared at the hearing agreed to that. They appeared before the committee.

Mr. BATHRICK. Your construction is that they should drill wells aggregating in depth 2,500 feet?

Mr. FERRIS. Yes; I think the gentleman's colleague, Mr. WHITE, has an amendment that makes that clear.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. FOSTER. Mr. Chairman, I think the gentleman from Oklahoma is possibly mistaken. This says "oil and gas wells shall be drilled to a depth of not less than 500 feet." That means 500 feet in one well.

Mr. FERRIS. That was the suggestion of the gentlemen from Ohio [Mr. WHITE and Mr. BATHRICK]. That was not our intention. It was our intention to require the drilling of 500 linear feet the first year and a total of 2,000 linear feet during the second years in one or a dozen wells, as they might elect.

Mr. FOSTER. I do not think the language is clear.

Mr. FERRIS. The gentleman from Ohio [Mr. WHITE] has an amendment that will perhaps make it clearer.

Mr. COOPER. Will the gentleman yield? When the patentee has secured his patent to the land, then he drills. He pays no royalty on that oil, does he?

Mr. FERRIS. Not on the one-quarter that is patented to him; but he surrenders the three-quarters contained in his preliminary permit back to the Government, which is then upon surrender proven territory and which the Government can lease or drill as it pleases.

Mr. COOPER. What objection would there be to requiring the man who gets that quarter in fee to get it on the condition that he shall pay a royalty on the oil?

Mr. FERRIS. I think the gentleman from Wisconsin will recognize that this is the stimulus that causes the oil man to go out and hunt for oil. The gentleman from Wisconsin must realize that thousands and thousands of dollars are spent by men who never find oil. This is a salutary provision, and will accomplish great good for the Government.

Mr. DONOVAN. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. DONOVAN. I want to interrupt, if I may be allowed to make an observation, if the gentleman from Wisconsin will allow it.

Mr. COOPER. With pleasure.

Mr. DONOVAN. I want to suggest to the gentleman and the chairman that they are very discourteous to the gentleman from Wyoming. They are not considering the amendment of the gentleman from Wyoming, but are considering a section of the bill. It is very discourteous to the gentleman from Wyoming to treat his amendment as of no concern.

Mr. MANN. Mr. Chairman, the gentleman from Connecticut is in error, as he frequently is. The amendment of the gentleman from Wyoming is to strike out a provision in the bill, so that we are considering the original proposition in the bill.

Now, I would like to ask the gentleman from Oklahoma, suppose there is a field where no oil is known; somebody gets the right to prospect upon it and sinks a well and discovers oil; what, then, are the rights of the people and the Government concerning the adjoining territory?

Mr. FERRIS. It is all withdrawn; and when offered by the Secretary for lease after it is blocked out, the man who makes the discovery under the preliminary permit, which holds good for two years, could upon discovery go in and take out one quarter of the area covered by the permit, and say "I want a patent to that."

Mr. MANN. I have heard that stated several times. That is not the point I want to get at.

Mr. FERRIS. I was going to come to it.

Mr. LENROOT. I think the gentleman is inaccurate when he says that it is all withdrawn; it is the area in the prospecting permit.

Mr. MANN. A man discovers oil, and how much does he get, 640 acres?

Mr. FERRIS. Outside of the 10-mile limit.

Mr. MANN. And the Government has reserved three other sections under this.

Mr. FERRIS. That is right.

Mr. MANN. The section that a man takes may be on the outside edge. It has to be somewhere on the outer edge of those four sections.

Mr. FERRIS. It may be by legal subdivision, anyway he wants it.

Mr. MANN. What becomes of the next property to his? There is oil there and it is known that there is oil there.

Mr. FERRIS. The Government will lease it without the preliminary permit and without any patent.

Mr. MANN. Why can not anyone get a right to prospect upon it?

Mr. FERRIS. Because the department has the right to withhold the issuance of a prospector's permit to anyone who seeks to get it if it is known as oil territory.

Mr. MANN. Where is that provision?

Mr. FERRIS. That is in the bill, as I recall. We put it in.

Mr. MANN. Where is it? There is the provision "under such rules and regulations as he may prescribe," but those rules and regulations are made before the oil is discovered, and they give anyone the right to go on and prospect for the oil. I do not see where the Government has any protection at all.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. LENROOT. The rules and regulations can not authorize anyone to go on the land and prospect. He must first have a permit.

Mr. MANN. He gets his permit under rules and regulations, which are fixed in advance. Here is a territory where there is no oil. You sink a well and discover oil. You know that all the oil is not going to come out through that one well. When you find an oil field it is a considerable field. You know that the moment you sink one well and discover oil. Under this bill it is possible for other people, knowing there is oil there, to go ahead and get a permit for prospecting on 640 acres, sink a well which they know will strike oil, and then get 160 acres free.

Mr. FERRIS. Of course, the gentleman is talking about a matter that is of keen importance, because, of course, when A, who is a permittee, strikes oil, naturally, the excitement begins and, naturally, the clamor to get leases will begin. But in the last analysis and in the first line of the section, and later by an entire paragraph, the Secretary is authorized to issue rules and regulations to carry this into effect; and, in addition to this, on page 10, lines 2, 3, 4, and 5, in that part of the paragraph, after an oil well is struck, then a permit will not issue within 10 miles of that, anyway.

Mr. MANN. But that is just the mistake the gentleman makes. It expressly provides for the issuance of a permit within 10 miles but gives only 160 acres, but, as far as I read the bill, it makes a present of 160 acres of oil land to anyone who chooses to sink a well in the territory where oil has already been discovered.

Mr. FERRIS. There is no one on the committee and no one in the department who thinks that in a known oil territory there ought to be a prospector's permit issued. While I can not turn to that provision just for the moment, I think it is in. Anyway it is in the regulations, and the authority is vested in the Secretary to take care of that.

Mr. MANN. The gentleman can not turn to it because it is not in the bill.

Mr. FERRIS. It will be in the regulations, then, and if the gentleman thinks that it ought to go into the bill I am very willing to have it go in.

Mr. MANN. The regulations are fixed in advance, and they contemplate the granting of a prospector's permit within 10 miles of a known oil field.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN. Of course, I understand the desire of the committee. I think what they endeavored to do is eminently correct. They want to encourage prospectors to find unknown oil fields, and if they find an unknown oil field they want to reward them by giving them a patent for one-quarter of 640 acres, or one-quarter of four sections.

Mr. FERRIS. Yes.

Mr. MANN. But where you have a known oil field and you expressly provide for giving a permit within 10 miles of a producing oil or gas well, that will be an unknown field, and a man goes ahead and seeks his permit and gets it and sinks a well which he knows will strike oil, and he gets a patent for 160 acres.

Mr. FERRIS. Mr. Chairman, agreeing fully with what the gentleman says about the advisability of not allowing any permit or patent at all to a known oil area, and I do not think there should be, yet can the gentleman conceive of a Secretary who would issue a preliminary permit to anyone where the field was known to be an oil field or proven territory, and would not the Secretary, with the Geological Survey and other various representatives of the Government, know the facts as soon as anyone else?

Mr. MANN. Take my State, for instance. I can remember when they were boring for oil and gas at one time in or near Champaign, Ill. I subscribed to some stock for an oil or a gas well at that place. It was just above the line where they find it now. Nobody seriously thought that there was any oil in that part of the country, but they hoped to find it. Right south, in the district represented by my colleague, Dr. FOSTER, they have discovered great oil fields. If you find a field here on one section, you know there is oil in that general locality. I do not see anything to prevent anyone getting land under this bill. The regulations are made in advance. However, I desire to know what the effect of this is on the disputed oil lands in California?

Mr. FERRIS. As the bill stands, it does not affect them one way or the other. The gentleman from California [Mr. CHURCH] is hopeful of having something added that will convert those now clamoring for patents into lessees.

Mr. MANN. Why does not it cover them?

Mr. FERRIS. Because that land is segregated by application for a patent.

Mr. MANN. Oh, I know; but this covers everything; this bill covers——

Mr. FERRIS. It does not cover land that is segregated, of course. No more does it apply to segregated land than to deeded land. I feel sure I am correct about that.

Mr. MANN. It covers land that has been withdrawn; it covers everything that the Government has.

Mr. LENROOT. Will the gentleman yield?

Mr. MANN. Yes.

Mr. LENROOT. It would cover these lands, except that the Secretary of the Interior in his discretion would not issue these permits.

Mr. FERRIS. I think it will cover them when finally adjudicated and wound up, because an application for patent or entry would not then be segregated and the land would be taken out of the operation of the law. I do not think it would touch the other until finally adjudicated.

Mr. MANN. Is not the Secretary required to make a lease under this bill if anybody applies for it?

Mr. FERRIS. I do not think so.

Mr. MANN. Well, the language in the bill in one case says, "may be leased."

Mr. FERRIS. The committee did not intend to force the Secretary to make a permit or a lease in every instance——

Mr. MANN. I am not so sure it does not. The committee in the Alaska bill, as it did in the coal provision of this bill, required the Secretary to make a lease; as the bill was reported to the House as prepared by the department the Secretary had no discretion about that at all. He must make the lease if anyone applies for it.

Mr. FERRIS. The bill was amended so as to put it within the discretion of the Secretary.

Mr. MANN. Is it the intention to amend this provision?

Mr. LENROOT. The language is not the same.

Mr. MANN. I know it is not. It says, "may lease."

Mr. FERRIS. I think it ought to be within his discretion.

Mr. LENROOT. The language of the other two bills was mandatory upon the Secretary to lease.

Mr. MANN. Yes.

Mr. LENROOT. This is discretional.

Mr. MANN. He may lease; that is the only way it is discretional.

Mr. FERRIS. We might put in the words if there is doubt about it.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. TALCOTT of New York. Mr. Chairman, will the gentleman from Oklahoma yield for a question?

Mr. FERRIS. I will.

Mr. TALCOTT of New York. Does this bill apply to oil in Alaska?

Mr. FERRIS. Yes, sir.

Mr. TALCOTT of New York. And phosphates in Alaska?

Mr. FERRIS. It does.

Mr. TALCOTT of New York. Will the gentleman explain why the committee thought it better to incorporate this provision in reference to Alaska in this bill rather than in the Alaskan coal bill?

Mr. FERRIS. In reply to that I desire to say that the situation in Alaska has been more pressing than any other situation in the country. She has had so much trouble and so much litigation has arisen there concerning claims, we thought that that coal bill ought to be a bill separate and distinct; and it was likewise the view of the department and the view of the committee that the conditions as to oil, if there is any—they have not discovered any yet—and as to phosphate, sodium, and potassium should be included in this bill, and we thought it well it should be incorporated in one bill. We thought coal existed to such a large extent, over which there had been so much trouble and litigation in Alaska, that that should be in a separate bill.

Mr. TALCOTT of New York. It is not known now whether there is gas or oil in Alaska.

Mr. FERRIS. They have not discovered any at all, but we hope they will, and we thought that the general law should apply, because in former times we made all mineral laws apply up there.

Mr. MONDELL. Mr. Chairman, I move to strike out the word "ten," page 10, line 5, and insert the word "five."

The CHAIRMAN. The gentleman can not offer an amendment when he has an amendment pending. The gentleman has moved to strike out the paragraph.

Mr. MONDELL. Mr. Chairman, I thought my amendment had been carried. I thought it had been voted on.

The CHAIRMAN. Not yet. The question is upon the amendment offered by the gentleman from Wyoming, to strike out the paragraph.

The question was taken, and the Chairman announced the noes seemed to have it.

Mr. DONOVAN. Division, Mr. Chairman.

The CHAIRMAN. The gentleman from Connecticut demands a division.

The committee divided; and there were—ayes 14, noes 30.

So the amendment was rejected.

Mr. MONDELL. Mr. Chairman, I move to strike out the word "ten," page 10, line 5, and insert the word "five."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 10, line 5, strike out the word "ten" and insert the word "five."

Mr. MONDELL. Mr. Chairman, I would like to ask the gentleman from Oklahoma if it is the intention of the committee to repeal the present oil law? As the author of that law, I am anxious to know what he proposes to do with regard to it. I assume he intended to repeal it, but I do not think he does; and if he intends to repeal it, it will be necessary somewhere in this bill to add language to that effect.

Mr. FERRIS. Section 32, I think, will answer the gentleman's question.

Mr. MONDELL. No; section 32 does not answer the question at all, as I will prove to the gentleman's satisfaction if he will listen to me for a moment. Section 32 provides that all laws inconsistent with this law shall be repealed. Well, another law in operation alongside of this law is not necessarily inconsistent with it. This law itself provides for the patenting of lands in fee, and another law providing for the patenting of lands in fee is not inconsistent with this law. If the gentleman will allow me, if he will turn to the first section of his bill he will see it is not an exclusive law. It provides that the deposits of coal, phosphates, oil, gas, and so forth, shall be subject to disposition in the form and manner provided by this act; but it does not provide that the lands shall not be disposed of otherwise.

Mr. FERRIS. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. FERRIS. If there is any doubt about section 32 repealing the placer-mining law so far as it applies to oil, I hope every gentleman in the House will be willing to repeal it,

because most all the trouble that has come from the oil development on the public domain has come from the placer-mining law. It never should have been applied to oil in any case and has no application there now.

Mr. MONDELL. Now, that is entirely gratuitous, Mr. Chairman. There has been a great deal of very valuable development of oil under the oil-placer act, and there has been no scandal under it that the law is responsible for of which I know. Certain gentlemen have not been able to get all the land they want under it, and that is one reason why we are enacting this law for their benefit. The men who have most been clamoring for the leasing act are men who do not want the placer act because it does not enable them to hold their land without working it. Some one may come along and find an oil well and take it away from them. So they want a law under which they have a cinch, and you propose to give them one.

Having called the attention of the gentleman to the fact that he has not repealed that very excellent law of mine, I want to call his attention to my amendment. The gentleman from Illinois criticized the provisions of this section which the gentleman from Oklahoma did not seem to understand very well, because he said it would give a man an opportunity to go into a developed field and get 160 acres of oil land free. The word "free" should be used with a reservation, because I never saw a man get anything free in that way. This section is all right in a way. It provides that within a certain distance of a developed well, of a well that is producing oil, the area of a prospecting permit shall be a section, and that beyond 10 miles it shall be a larger area.

We must allow a prospecting permit whenever men develop oil, from the fact that if you find oil on a quarter section or on a 40-acre tract, it does not follow that you will find it on another or adjacent 40 acres. Frequently they get a dry well a few hundred feet from a well that produces a considerable amount of oil. So that the provisions referred to are necessary. The fault is in the section which follows. The better plan would be to lease the permittee the land covered by his permit, or a reasonable portion of it, rather than to deed him in fee any part of it and give him no preference in the remainder. But the distance dividing two classes of areas is, in my opinion, too great. Oil fields are generally limited. There are exceptions, but within 2 or 3 or 4 miles of a well producing a great deal of oil there may be absolutely virgin territory. Such territory may be on or outside of the synclinal or anticlinal on which the well is drilled and in altogether different geological horizon. It seems there must be some rule of distance. But ordinarily if you get 4 or 5 miles from a private well you are altogether in a different geological horizon. You are drilling under changed and differing conditions. You are in the majority of cases in a new field—a virgin field. If you are not "wildcatting," you are at least prospecting and taking very large chances. And therefore I think the change which I suggest should be made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I do not believe the gentleman is seriously in earnest when he wants to cut this from 10 to 5 miles.

Mr. MONDELL. I assure my friend I am serious and in earnest.

Mr. RAKER. The way the matter was originally reported was 50 miles to 25 miles. After hearing those who were interested in it and who have had much experience, the committee put it at 10 and 20 miles; and it seemed to me to be satisfactory to all the men who have had any experience in the oil business—that if you got wells within 10 miles, you have got 160 acres, and if you went out beyond the 20 miles then you got 640 acres, provided you had the larger tract.

Mr. MONDELL. All the oil men who appeared before your committee were California oil men. They talked about conditions in California. You had none before you, as the committee knows, from Utah, Colorado, and Wyoming, and no one familiar with conditions in the central mountain belt.

Mr. RAKER. They were all given an opportunity to be heard, and, as a matter of fact, where there is any difference——

Mr. MONDELL. That is not the entire difference.

Mr. RAKER. In the East and West, in Illinois and Oklahoma, where you have territory, generally they think 5 or 15 miles is all right; but where you get in the California and western fields, 10 miles, it is in a new country and it is reasonable that we give them that limit. Twenty miles beyond any known well or belt is sufficiently far, and we ought to give them that distance to develop. It is fair enough, but we ought not to cut it down more than is reasonable.

Mr. COOPER. Will the gentleman permit an interruption?

Mr. RAKER. I will.

Mr. COOPER. As I understand the bill, it proposes that the successful prospector may, on application, be granted a fee, the Government reserving to itself the land adjacent?

Mr. RAKER. In this 10-mile limit, which is 160 acres.

Mr. COOPER. The Government will reserve lands contiguous to the 160 acres?

Mr. RAKER. The bill says so. Yes; the gentleman is correct.

Mr. COOPER. Thus the man gets the 160 acres of land and is to be allowed to produce oil on it without paying royalty, while anybody who shall produce oil on the land reserved by the Government will be obliged to pay a royalty. It is therefore very clear that the man who is producing oil on the Government land and paying a royalty will to that extent be discriminated against. And in the future that fact will certainly bring down on Congress delegations of oil producers saying, "These men compete with us, but do not pay a royalty. Our wells are located within a few miles of theirs, but we can not meet their competition because we are obliged to pay a royalty." Under such pressure, what will become of your leasing system?

Mr. RAKER. If the gentleman's argument is carried out in all circumstances and it applied to all fields, and you must not forget that the man who goes out on this tract is sure to put in there $10,000 to half a million dollars, and therefore he has got his money in, and he ought to have some consideration for that.

Now, if your theory is correct, that you are sure of oil in the other 360-acre tracts, all you have to do is to go and stick a hole there, and your oil is ready to produce, which, of course, is not the condition prevailing all the time. A man has got to bore a well. He may miss oil. But when he strikes it he pays a reasonable lease fee to the Government for the oil that he produces. It is absolutely fair.

You ought to give something to the man who is willing to risk his all in an unknown field that he might discover something. The gentleman forgets that practically every dollar's worth of oil that has been produced in California has been matched by another dollar that has gone into improvements. The money has not only come from the State of California, but it has come from the whole civilized globe and has been invested in oil wells. The man who is the pioneer should have some fair compensation for his money and time, and should have something for the risks he has taken.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate on this amendment at this time.

The CHAIRMAN. The gentleman from Oklahoma [Mr. FERRIS] asks unanimous consent that debate on the pending amendment be closed. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wyoming [Mr. MONDELL].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. DONOVAN. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Connecticut demands a division.

The committee divided; and there were—ayes 9, noes 17.

So the amendment was rejected.

Mr. ANTHONY. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Insert as a new paragraph, after line 3, page 12, "That from and after the passage of this act"——

Mr. FERRIS. Mr. Chairman, we have not passed the paragraph yet, have we?

The CHAIRMAN. The gentleman wishes to offer an amendment to the pending paragraph?

Mr. FERRIS. He offers a new section.

The CHAIRMAN. It is not in order if anybody wants to offer an amendment.

Mr. WHITE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio [Mr. WHITE].

The Clerk read as follows:

Page 10, line 12, after the word "drill," strike out lines 12, 13, 14, and 15 to the period, and insert in lieu thereof the following: "for oil or gas to an aggregate depth of not less than 500 feet, and shall, within two years from date of the permit, drill for oil or gas to an aggregate depth of not less than 2,000 feet."

Mr. WHITE. Mr. Chairman, the purpose of my amendment is to make practical the bill. It has been already covered in

the discussion. If the oil is found at a depth of less than 500 feet, it would be a contradiction to force a man to drill deeper than 500 feet, because he might find a flow of water and possibly spoil his well. The same argument applies to the provision in the bill to drill wells to a depth of 2,000 feet. A man might drill one well at 2,000 feet, which would be adequate to fulfill the purpose of the bill.

Mr. FERRIS. Mr. Chairman, we accept the amendment. We think it makes the bill better, and therefore we are willing to accept it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. WHITE].

The amendment was agreed to.

Mr. MONDELL rose.

The CHAIRMAN. Does the gentleman from Wyoming wish to offer an amendment to the pending paragraph?

Mr. MONDELL. I do.

The CHAIRMAN. The gentleman from Wyoming is recognized.

Mr. MONDELL. Mr. Chairman, I move to strike out the word "mining," in line 10, page 10, and insert in lieu thereof the word "drilling."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wyoming.

The Clerk read as follows:

Amend, page 10, line 10, by striking out the word "mining" and inserting the word "drilling."

Mr. FERRIS. Mr. Chairman, we accept the amendment. I think it should be "drilling."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wyoming.

The amendment was agreed to.

Mr. MONDELL. Mr. Chairman, I move to strike out, on page 10, line 18, the words "square or rectangular" and insert in lieu thereof the words "reasonably compact."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wyoming.

The Clerk read as follows:

Amend, page 10, line 18, by striking out the words "square or rectangular" and inserting the words "reasonably compact."

Mr. FERRIS. Will the gentleman yield to me just a moment?

Mr. MONDELL. Yes.

Mr. FERRIS. The gentleman still intends to leave in the bill the "two and one-half times" part of it?

Mr. MONDELL. Yes.

Mr. FERRIS. I have a letter Mr. Chairman, from the department, a letter which I have not in my hand, but which is among my papers in my office, which calls attention to the fact that to retain the language we have here might make the bill unworkable and might cut subdivisions in two, and if the gentleman leaves in the bill the "two and one-half times" width, which prevents a man taking the entire string of oil deposits, I think his amendment is good.

Mr. MONDELL. I think that ought to be "two" instead of "two and one-half," but I do not propose to amend at all.

Mr. FERRIS. If the gentleman will pardon me a moment more, I will say that we have plenty of justification here for the language as it stands from the Bureau of Mines and the Geological Survey; but the Interior Department, on the day before yesterday, I think it was, after a conference with some oil men here in Washington, called me up and later wrote me a letter and explained to me that to make it exactly rectangular in form would split up 40-acre tracts and legal subdivisions, and they thought it would not be workable practically. I think the gentleman's amendment is all right.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wyoming yield to the gentleman from Wisconsin?

Mr. MONDELL. Yes.

Mr. LENROOT. The only difficulty I see in the amendment would be the difficulty in description afterwards. In the case of rectangular tracts, where the land is surveyed, you can use Government subdivisions. By this amendment it would be impossible.

Mr. MONDELL. This is the language used in many of the statutes, "reasonably compact." That is, the lands in the forties must be contiguous to each other; but in many cases it would be impracticable to get absolutely square or rectangular tracts. The words "reasonably compact" are used in many of the statutes, in the enlarged homestead law, for instance, and they have been interpreted many times by the department. Of course the department determines finally what is a reasonably compact tract.

Mr. TAYLOR of Colorado. If the gentleman's amendment is adopted, will it be necessary to add a provision that the lease must be taken according to the legal subdivisions if it is on surveyed land?

Mr. MONDELL. I think that is the necessary interpretation of the statute. I do not think there is any getting away from it.

Mr. TAYLOR of Colorado. If you describe it by metes and bounds and confine it to reasonable compactness?

Mr. MONDELL. Even so, by metes and bounds it would have to follow the plan of legal subdivisions. Most of our lands are surveyed now, and such lands must be taken by legal subdivisions.

Mr. LENROOT. I think that is implied in the language that the gentleman seeks to strike out, but if you strike it out there is nothing left.

Mr. MONDELL. Not at all. One could go out on the unsurveyed land and survey out a rectangle or a square.

Mr. LENROOT. I understand, but I am speaking of surveyed land.

Mr. MONDELL. As to surveyed lands a term frequently used in public-land law is "reasonably compact area." In the case of a desert entry or a homestead entry the area must be reasonably compact; that is, the forties must be contiguous, and the tract must be as compact as the entryman can reasonably secure in the locality. The term as applied to unsurveyed lands is as apt and understandable.

Mr. RAKER. As applied to the homestead and the desert-land claim, it means the legal subdivision as surveyed by the Government.

Mr. MONDELL. Exactly so. This law does certainly require the surveyed lands to be taken by legal subdivisions. There is no other way in which you can take surveyed lands. But if that were not true with regard to the unsurveyed lands you would not want to require a permittee on unsurveyed lands to survey his allotted land in squares or absolute rectangles.

Mr. RAKER. You ought, as nearly as you could, to require him to extend the line, where it could be done, so as to apply to the general survey.

Mr. MONDELL. Certainly; but to compel a man to run a line up into a mountain, or run off into territory that clearly would be of no value to him, would not be giving him a fair shake.

Mr. RAKER. Mr. Chairman, just a minute. The gentleman's argument in regard to reasonably compact areas, when applied to the enlarged homestead and desert-land claims, and to homestead claims, means that a man can not take 320 acres of desert land and run it in 40-acre tracts right up a stream or otherwise, nor can he take 320 acres anywhere and do the same thing with it. It must be compact, and as nearly as may be according to the legal subdivisions of the 40-acre tracts. Now, undoubtedly on surveyed lands this would apply to the squares or rectangles all right, but on the unsurveyed lands the gentleman's amendment would permit a man to go into a field that is unsurveyed and run a circle around a tract of land by marking the exterior boundaries as provided here in the bill with monuments or posts, therefore not complying with the general idea of the future extension of the survey, which it ought to be. There ought to be a provision for taking up all the unsurveyed land in as nearly the form of surveyed lands as it can be done, and if a man takes up 160 acres or 640 acres he ought to take the land in as nearly a square or a rectangle as he can, the length being not more than two and one-half times the width.

Mr. LA FOLLETTE. I want to suggest to the gentleman from California that the amendment of the gentleman from Wyoming simply makes the language in this section conform to the language in section 14 on page 12. That language, beginning in line 4, is as follows:

That upon establishing to the satisfaction of the Secretary of the Interior that valuable deposits of oil or gas have been discovered within the limits of the land embraced in any permit, the permittee shall be entitled to a patent for one-fourth of the land embraced in the prospecting permit, such area to be selected by the permittee in compact form and according to the legal subdivisions of the public-land surveys, if the land be surveyed, or to be surveyed at his expense in accordance with the laws, rules, and regulations governing the survey of placer-mining claims if located upon unsurveyed lands.

Mr. RAKER. That is not the gentleman's proposition. That is what I have been arguing for. He must take it according to the legal subdivisions, and in a compact form, and not in strings of forties.

Mr. LA FOLLETTE. As I understand, that is what the amendment does.

Mr. RAKER. No; this amendment strikes out "square or rectangular" and adds the words "reasonably compact." Under that on the unsurveyed public land you could have it in any shape, and just run a line around a particular tract, without reference to the corners, when, as a matter of fact, a man ought to take his land in a compact form, in rectangular or square shape as nearly as he can according to the Government survey when extended.

Mr. MONDELL. The gentleman knows perfectly well that there never was a round survey made in the United States under the placer act.

Mr. RAKER. Oh, yes.

Mr. MONDELL. Still the gentleman talks about round surveys, something never heard of in our land surveys.

Mr. RAKER Oh, yes.

Mr. MONDELL. This bill provides for surveys under the placer act. There never was any such thing, and never would be, as a circular tract.

Mr. RAKER. Take up one of the mining plats and you will find the lines running in every direction and toward every point of the compass.

Mr. MONDELL. You will not find any circles.

Mr. RAKER. The man who locates the claim runs his lines according to where he wants to place them. We ought not to provide for a new system of surveys in the public-land States.

Mr. MONDELL. Nobody is suggesting that it shall be done. We are simply suggesting that we shall follow our legislation of the past, and not compel a man to do an impossible thing. The gentleman from Oklahoma [Mr. FERRIS] has just called attention to what the department people think of it. If my amendment is adopted, the tract must be reasonably compact. The Secretary of the Interior will decide in each case whether the tract comes within that definition. On surveyed land it will be, of course, according to surveys on unsurveyed land in reasonably compact areas, and the Secretary would in all probability provide for surveys on north and south lines and as near as possible to conform with the surveys when extended.

Mr. TAYLOR of Colorado. Does not the gentleman from Wyoming think that we had better make the amendment conform to language on page 12?

Mr. MONDELL. I have no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I move, as a substitute for the gentleman's amendment, that it be made to conform to lines 10 and 11 of the language on page 12.

Mr. LENROOT. I do not think the gentleman wants to do that, because this applies to surveyed land as well as unsurveyed land.

Mr. TAYLOR of Colorado. We will see where it does apply. Mr. Chairman, I move to substitute for the amendment of the gentleman from Wyoming the following: Strike out of line 18, page 10, the words "square or rectangular" and insert in lieu thereof the words "reasonably compact form and according to the legal subdivisions of the public-land surveys, if the land be surveyed, and, if the land be unsurveyed, in an approximately square or rectangular."

Mr. STAFFORD. Will the gentleman state how it will be when it is on unsurveyed land?

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Substitute for Mr MONDELL's amendment:
Strike out of page 10, line 18, the words "square or rectangular" and insert the words "reasonably compact form and according to the legal subdivision of the public land surveyed if it be surveyed."

The CHAIRMAN. The gentleman should reduce his amendment to writing.

Mr. RAKER. Will the gentleman yield for a question?

Mr. FERRIS. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto be closed in 15 minutes—5 minutes to be used by the gentleman from Wisconsin [Mr. LENROOT], 5 by the gentleman from Wyoming [Mr. MONDELL], and 5 for some member of the committee.

Mr. STAFFORD. The gentleman from Kansas [Mr. ANTHONY] has a new section or paragraph.

Mr. FERRIS. This will not interfere with that.

Mr. STAFFORD. This would bar the gentleman out.

Mr. FERRIS. No; he wants to offer a new section, and this would not cut him out. Mr. Chairman, I ask unanimous consent that at the expiration of 15 minutes all debate on the section and amendments thereto be closed, 5 to be used by the gentleman from Wyoming [Mr. MONDELL], 5 by the gentleman from Wisconsin [Mr. LENROOT], and 5 by the committee.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that at the expiration of 15 minutes all debate on the pending section and amendments thereto be closed. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read the amendment proposed by the gentleman from Colorado as a substitute for the amendment offered by the gentleman from Wyoming.

The Clerk read as follows:

Substitute for the amendment of Mr MONDELL:
Page 10, line 18, strike out the words "square or rectangular" and insert the words "reasonably compact form and according to the legal subdivision of the public-land survey if the land be surveyed."

Mr. TAYLOR of Colorado. And to that should be added, "if the land be unsurveyed in a reasonably square or rectangular tract."

Mr. RAKER. Mr. Chairman, I offer the following as an amendment to the amendment of the gentleman from Colorado.

The CHAIRMAN. The Clerk will report.

The Clerk read as follows:

Add to the amendment of the gentleman from Colorado the words, "or to be surveyed at his expense in accordance with the laws, rules, and regulations governing the survey of placer-mining claims if located upon unsurveyed lands"

Mr. TAYLOR of Colorado. Mr. Chairman, I make the point of order that that amendment has nothing to do with my amendment.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to withdraw that amendment.

The CHAIRMAN. The gentleman from California asks unanimous consent to withdraw the amendment. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Colorado.

Mr. STAFFORD. Mr. Chairman, can we have the amendment again reported?

The Clerk read as follows:

Page 10, line 18, strike out the words "square or rectangular" and insert the words "reasonably compact form and according to the legal subdivisions of the public land surveyed if the land be surveyed, and in a reasonably square or rectangular tract, and in a reasonably square or rectangular tract if the land be unsurveyed."

Mr. LENROOT. Mr. Chairman, I would like to ask the gentleman from Colorado if he uses the term "easonably square"?

Mr. TAYLOR of Colorado. Well, perhaps you might say "approximately." Public land is surveyed in lots, and not in squares; and probably they are not rectangular; they are smaller at one end than the other, and there are some diagonal tracts. You might say "approximately square or rectangular," and probably that would be the better word.

Mr. LENROOT. I suggest that the gentleman use the word "approximately."

Mr. TAYLOR of Colorado. Mr. Chairman, I will ask unanimous consent to modify my amendment by substituting the word "approximately" for "reasonably."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. If the gentleman from Wisconsin will yield, I want to call the attention of the committee to the amendment, line 18, page 10. That applies to his permit. In section 14 we provide, after he has used the permit, how it shall be done. Now, we change the law in the permit and when he gets his final survey he must leave a part of it out; that is, if the amendment is carried.

Mr. LENROOT. He must do what?

Mr. RAKER. Under section 14 it provides "or to be surveyed at his expense in accordance with the laws, rules, and regulations governing the survey of placer mining claims if located upon unsurveyed lands." If the bill stands as reported he will be in shape to carry out the survey under the next section.

Mr. LENROOT. Mr. Chairman, if the amendment is adopted, when it comes to getting his fourth he will have to find his fourth, if it is unsurveyed, by surveying at his own expense, under such rules and regulations as the Secretary may adopt.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Colorado to the amendment of the gentleman from Wyoming.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from Wyoming, as amended.

The amendment was agreed to.

Mr. MONDELL. Mr. Chairman, I have several amendments that I had intended to offer to this section, but inasmuch as the gentleman from Oklahoma [Mr. FERRIS] is anxious to get along I will simply refer to them. If the committee does not accept them now, I hope it will later. I think that, on page 10, line 10, the word "four" should be stricken out and the word "six" should be inserted in lieu thereof. I do not think that four months is sufficient time to give the permittee to begin his drilling operations.

I think, on page 11, line 8, the word "ninety" might be changed to "sixty." I do not think the applicant need have that length of time within which to do this marking. I really believe that he could do it in 30 days; the longer time you give him the longer the lands are held from others that may want to develop them.

In regard to the amendment that was just adopted, offered by the gentleman from Colorado [Mr. TAYLOR], I have no es-

pecial objection to it, although I think it rather confuses than helps the situation. I want to call the attention of the committee to this fact, that several places in this bill and in the amendment offered by the gentleman from Colorado there is provision that unsurveyed lands are to be surveyed in accordance with the law relative to the survey of placer lands or lands taken under the placer act. I suppose what is meant is the laws relating to the survey of lode claims, which is made applicable to the survey of placer claims. It seems to me that it would be much clearer, if you want to invoke the mining surveys, to refer to them as the surveys and the rules relating to surveys of lode claims, because that is what they specifically apply to and cover.

I hope the gentleman from Oklahoma is willing to accept these amendments. I think both of them are very desirable.

Mr. FERRIS. Mr. Chairman, with reference to the suggestion of the gentleman from Wyoming, that, on page 10, line 10, the word "four" be changed to "six," let me call attention to the fact that the oil people appeared before us at the hearings, and, as I recall it, they agreed that four months would be enough, and the committee was solicited not to let them take too much time or more time than was necessary.

Mr. MONDELL. I think most of the oil men who appeared before the gentleman's committee were men from territory in California that you can reach within an hour or two by automobiles over good roads, if not by railroad. In my State practically all of the undeveloped oil lands that the men are now trying to develop are anywhere from 25 to 150 miles from a railroad, and it takes quite a bit of time for a man to get around to begin his drilling operations. We should give him more time to begin his drilling operations, but I do not think he needs so much time to monument his claim. In our country the driller would have a very trying time of it to get on the land in many cases and begin his drilling operations within four months. He probably could not get his rigs shipped to the nearest railroad point and out over the roads in that time. He ought not to have an unnecessary time, but he needs more than the bill gives him.

Mr. TAYLOR of Colorado. We have changed the word "mining" to "drilling."

Mr. MONDELL. Yes.

Mr. TAYLOR of Colorado. That makes it a good deal more arduous. Mining might be preparing for the work and that is the reason the word "mining" was used. As a matter of fact, if it has got to be drilled, the gentleman is largely right. They have to build a road to get in there.

Mr. MONDELL. The gentleman knows that if we had left that word "mining" in there, they could have done almost anything, any unnecessary, inconsequential thing, and have held the claim.

Mr. TAYLOR of Colorado. Oh, no; they could not.

Mr. MONDELL. In any event, it is changed now; but I think that he ought to get to drilling, and that he ought to be allowed a reasonable time in which to do it.

Mr. TAYLOR of Colorado. I realize that he has to have time in whicl to build the roads and get in his machinery.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. STAFFORD. Mr. Chairman, I offer to amend, in page 10, line 10, by striking out the word "four" and inserting the word "six."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk reads as follows:

Page 10, line 10, strike out the word "four" and insert the word "six."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. ANTHONY. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Insert as a new paragraph, after line 3, on page 12, the following:
"That from and after the passage of this act natural gas transmitted from one State or Territory, or the District of Columbia, to another State or Territory, or to the District of Columbia for illuminating or heating purposes shall, upon entering the place where such gas is designed for consumption, be subject to the laws and regulations of the public utility commissions of the State, Territory, or the District of Columbia into which such gas is transmitted for use as aforesaid, and this provision shall apply to gas produced and transmitted from one State, Territory, or the District of Columbia to another State, Territory, or the District of Columbia from any lands over which the Government of the United States exercises jurisdiction, and the Secretary of the Interior shall make rules and regulations and renewals of leases and leases with respect to the production and use of gas in conformity with the provisions of this section."

Mr. FERRIS. Mr. Chairman, on that I make the point of order.

Mr. ANTHONY. Mr. Chairman, I will ask the gentleman to withhold his point of order until I can make a statement.

Mr. FERRIS. Mr. Chairman, I reserve the point of order.

The amendment has not been submitted to the committee. I have never seen it. I can not grasp what it is from hearing it read. I do not think it germane to this bill, as it seems to be a matter for the Committee on Interstate and Foreign Commerce.

It seems to relate to gas transportation by pipe line between States. If that is what it is it does not properly belong here. I will confer with members of my committee and also the Oklahoma delegation and see how they feel about it. I think a bill is now pending on the same subject in Judge ADAMSON'S committee. It should not go on here with no consideration. There is not even a report from the department on it. If it is a matter entitled to go through, we can reach it by an independent bill, or we could offer it later to this bill, as we will be on this several more days. It is too important to accept it this way. It might work an injustice to this bill. It might work an injustice to my State. I simply do not know what it is or what it does. The gentleman should have presented it to our committee so it could have been gone into carefully.

Mr. ANTHONY. Mr. Chairman, in the State of Kansas there are fully 150,000 families who are now using natural gas for domestic purposes. That gas comes from the State of Oklahoma, from the Osage Nation. It is piped from Oklahoma to Kansas by the Kansas Natural Gas Co., a great corporation, which is allied to other big gas and oil interests. That pipe line is affiliated with the gas companies of the various cities in the State and distributed to these thousands of families in the State. A few years ago the Kansas Natural Gas Co. made contracts with these people at a reasonable price for this gas. In the last year or two they have attempted to increase the price at which gas shall be sold over 100 per cent. The people of the State, through their municipalities, appealed to the State board of public utilities to protect them in a reasonable price. The Gas Trust promptly went to the Federal court for protection to evade being held to a just accountability by the utilities commission, and it so happens that under present conditions there is absolutely no remedy that the people may have to assure themselves a reasonable price for this natural gas, which mostly comes from Indian reservations or other land controlled by the Government.

I think the gentleman from Oklahoma, in the preparation of this bill, could well afford to give relief to the natural-gas consumers of Kansas, Oklahoma, and Missouri. I am sure it is a situation with which he is perfectly familiar, and I think that he should allow this amendment to go into the bill.

Mr. BORLAND. Will the gentleman yield?

Mr. ANTHONY. Gladly.

Mr. BORLAND. The purpose of the gentleman's amendment is simply to give the State public-utilities commission control over this natural gas when it comes within the State.

Mr. ANTHONY. Absolutely, that is all. As it is now, the case where a State has attempted to control the price the company, through a questionable receivership through the United States courts, has evaded the attempt to regulate them.

Mr. BORLAND. There is no question but what, when natural gas or any other product which is subject to a public-utilities commission comes within a State, it ought to be controlled by the State commission.

Mr. ANTHONY. There should be some power, I contend, to control the distribution of these immense supplies of natural gas, oil, and all the other minerals enumerated in this bill, and my contention especially applies to natural gas because it is largely distributed by the public-service corporations.

The CHAIRMAN. The Chair sustains the point of order.

Mr. ANTHONY. I would like to ask the Chairman upon what ground he sustains the point of order.

The CHAIRMAN. On the ground that the amendment is not germane to the bill.

Mr. ANTHONY. Will the Chair state why it is not germane, for my information?

The CHAIRMAN. Of course, the Chair is not required to state his reasons. This bill is to authorize explorations for and disposition of coal, phosphates, oil, gas, potassium, or sodium upon the public lands in the United States. The gentleman's proposed amendment provides that natural oil or gas transmitted from one State or Territory to another——

Mr. ANTHONY. Gas; I beg the Chair's pardon.

The CHAIRMAN (continuing). Shall be subject to the control and regulation of the public utilities commission in the localities to which it is transmitted, and it has clearly nothing to do with the fundamental proposition in this bill. It is not germane to it. The Chair again sustains the point of order.

Mr. BORLAND. Mr. Chairman, will the Chair hear me on the point of order?

The CHAIRMAN. The Chair has ruled, and the point of order is sustained.

Mr. BATHRICK. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 12, after line 3, insert a new section, as follows:
"The Secretary of the Interior shall retain portions of proven oil territory, which, in his discretion, appears most liable to provide fuel oil suitable to be used on Government ships, and shall drill wells and produce oil for Government use. For the purpose of carrying out the provisions of this section there is hereby appropriated, from any unexpended balance in the Treasury, the sum of $500,000 or such part thereof as may be required."

Mr. FERRIS. Mr. Chairman, I reserve a point of order on the amendment.

Mr. BATHRICK. Mr. Chairman, I am sorry to have the chairman of this committee reserve a point of order on this amendment, because I think its enactment into law is very essential for the interest of this country, particularly for the interest of the Navy in the matter of economy and efficiency. We buy now for the Navy of the United States nearly half a million dollars worth of oil per year. Let us see what this amounts to as a business proposition. We pay for the oil approximately $1.60 to $1.70 per barrel. Fuel oil at the present time and as it runs on the average throughout the year can be bought at the wells at from 50 to 70 cents a barrel. It costs to transport oil by the pipe lines from the Pennsylvania section to the eastern seaboard about 6 cents per barrel. It is very easy to see how somebody is making a good deal of money out of the Government of the United States. We are proposing a measure here which gives to oil prospectors some very liberal and extraordinary privileges not quite in accord with the same business opportunities granted to private people in the oil fields, and, in fact, far more liberal. We have many millions of acres of Government domain, from which to-day are being taken the natural resources of this country, and very little in return is given back to the people. Why talk about your royalties upon these oil wells? In no case would they probably exceed 10 to 12 cents per barrel. That is the average royalty in private transactions. They will amount to very little.

Mr. DONOVAN. Will the gentleman permit an observation?

Mr. BATHRICK. Not until I finish my statement, if the gentleman pleases and will excuse me. I presume the gentleman, the chairman of this committee, is making his point of order on the appropriation feature, but the appropriation feature provides that it lies within the discretion of the Secretary of the Interior to use all of this sum or any portion thereof that may be required to carry out the provisions of this amendment, and it amounts, in principle, to no more than other costs to carry out the other provision. We are using now, as I have said, only a half a million dollars' worth of oil, but all of our ships are being changed from coal burners to oil burners, and in less than five years we will be using five to ten million barrels of oil, with the result that the initial cost to the Government of boring wells and producing oil will eventually accomplish a magnificent saving. There is very little risk involved. After the prospectors have discovered oil upon any of this territory and put in their claim for one-quarter of a section of land and the oil has proven itself profitable, private capital would not think it a serious risk to bore on contiguous territory, and the gentleman from Ohio, who is well versed in this question, knows it would be very easy to secure capital to drill oil wells within a very short distance from some location where oil has been discovered in profitable quantities.

Mr. RAKER. Will the gentleman yield?

Mr. BATHRICK. I do.

Mr. RAKER. How does it come that there are millions of acres of land lying in California that might have some prospect of oil—in fact, every prospect—if the private individual has the courage to go in and——

Mr. BATHRICK. That is purely wildcatting.

Mr. RAKER. No; it is not.

Mr. BATHRICK. I live in a State that produces oil and I have owned oil leases and have been in the business, and I know that if you go into a profitable oil field and secure a lease you have to pay a large bonus to secure it before any drilling is done. Private capital is not afraid to invest in such cases. It is no trouble to get private capital to drill next door to paying, operating wells.

We are assuming in this bill that private persons will go 10 miles away from other oil wells and put down a hole from 500 to 2,000 feet deep. That is what I call wildcatting, but when a well is discovered it is a pretty good business risk to drill another well in the next 40 acres. It is assumed that some of the people will wildcat, but that it would be a fearful risk if all of the people spent, proportionately, the very small sum to follow up a discovery where the risk is very light. The wealthiest business concern in this country has made its profit from oil, and is constantly doing what some think is a big risk for the Government to do. This concern is collecting in profits from this Government every year enough to pay for most of the wells we would need. I would like to see this Government risk one year's such profit, at least, now mainly given to the Standard Oil Co.

Mr. RAKER. This bill applies to the public domain.

Mr. BATHRICK. Very true; but at the same time the Government proposes to lease it as in a private capacity, and there is no reason why this Government should not reserve some portion of this proven oil territory and use it for the advantage of all the people.

Mr. RAKER. In other words, after a man has legitimately discovered an oil well, you want to beat him out of it?

Mr. BATHRICK. You misunderstand the amendment entirely. It is proposed, if the Government has retained that portion of the oil territory in the vicinity of these proven fields and not leased it, that it would go into the business itself and produce this oil and save several millions of dollars to the Government. It would take nothing away from lessees.

Mr. RAKER. And then you want the Government to "wildcat" for oil?

Mr. BATHRICK. There is no need of wildcatting, and, in oil parlance, to drill a well in the vicinity of a proven field is not "wildcatting."

Mr. FERRIS. Mr. Chairman, I make the point of order that it deals with jurisdiction belonging to other committees and is not germane.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

SEC. 14. That upon establishing to the satisfaction of the Secretary of the Interior that valuable deposits of oil or gas have been discovered within the limits of the land embraced in any permit, the permittee shall be entitled to a patent for one-fourth of the land embraced in the prospecting permit, such area to be selected by the permittee in compact form and according to the legal subdivisions of the public-land surveys, if the land be surveyed, or to be surveyed at his expense in accordance with the laws, rules, and regulations governing the survey of placer-mining claims if located upon unsurveyed lands: *Provided*, That all merchantable timber upon land patented hereunder shall be reserved to the United States to be cared for, used, or disposed of in accordance with applicable laws and regulations, and such reservation shall be expressed in each patent issued hereunder: *Provided further*, That each permittee who desires to secure a patent under the terms of this section shall, within 90 days from and after discovery of valuable deposits of oil or gas in the land embraced in his permit, file in the land office of the district in which the land is located his application for patent for the tract selected, in default of which he shall be required to thereafter pay royalty for the oil or gas produced therefrom during the remainder of the term covered by his permit, as may be fixed by the Secretary of the Interior, and the tract and deposits of oil or gas therein shall thereafter be subject to lease as prescribed in section 16 hereof.

Mr. MONDELL and Mr. MOSS of West Virginia rose.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized.

Mr. MONDELL. Mr. Chairman, I move to strike out, on page 12, line 8, the word "one-fourth" and insert the word "one-half."

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 12, line 8, strike out "one-fourth" and insert "one-half."

Mr. MONDELL. Mr. Chairman, I said a few moments ago that I doubted if it were wise to provide in this leasing legislation for the patenting of land in fee. I do not entirely approve the provision contained in the bill, but if it is to remain in the bill it should remain in the bill in a form that will be workable. I do not believe that under the conditions which exist in the intermountain fields of Colorado, Utah, or Wyoming it will be possible to get men to go into the undeveloped regions or on the borders of regions already partly developed, with no greater hope of reward for their prospecting, their drilling, and their expenditure than a patent for one-quarter section within 10 miles of a producing well or 640 acres elsewhere.

Mr. LENROOT. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. LENROOT. How much can they get now under the present law?

Mr. MONDELL. Under the placer act they can get a great deal if they are diligent enough.

Mr. LENROOT. It takes eight of them to get 160 acres.

Mr. MONDELL. Well, one group of eight can get 160 acres, another 160 acres, and another 160 acres, ad infinitum, but ordinarily it requires so much work and expenditure that very large areas are not acquired under the placer act. If this amendment be not adopted, my purpose is to offer an amendment giving the permittee a preference right to lease all the land under his permit when he discovers oil. I think if we are to enter upon a leasing system we ought to leave behind us the system of ownership in fee and proceed to lease. I think that it should not be complicated with patent provisions. But if that is to be done, I do not believe it will be possible in many fields to secure development when the only hope that the driller has is that he may secure a patent, in the majority of cases, to the small area of 160 acres. One hundred and sixty acres, if it were a bonanza field, would be all right. There is not an oil field in one thousand that is a bonanza. It requires a good deal of money for an operation; it requires more than 160 acres for an oil operation that anyone wants to undertake anywhere except in a bonanza field. We can not draft our legislation on the theory that we are legislating for bonanza fields. In the main we are legislating for fields where the wells produce only a limited amount of oil, where a considerable area of land is necessary in order to make drilling profitable. Rather than say to a man, "You are confined to 160 acres; you never can have any hope of securing more than that except as you may enter into competitive bidding with those who have taken advantage of your discovery and expenditure," I think it would be very much better to give a lease to the entire tract in the first place. But the committee will not agree to that; so if the proposition is to patent to the discoverer, then he should have an area sufficiently large to make it worth his while. I would give him half rather than one-fourth of the land covered by his permit.

Mr. MOSS of West Virginia. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from West Virginia makes the point of order there is no quorum present. The Chair will count. [After counting.] Seventy-five gentlemen are present—not a quorum. The Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Ansberry	Gallagher	Lever	Rainey
Anthony	Gardner	Levy	Reilly, Conn.
Austin	George	Lewis, Pa.	Riordan
Bartholdt	Gittins	Lindquist	Roberts, Mass.
Bartlett	Goeke	Linthicum	Rothermel
Beall, Tex.	Goldfogle	Loft	Rupley
Brodbeck	Graham, Pa.	McClellan	Saunders
Broussard	Gregg	McGuire, Okla.	Scully
Brown, N. Y.	Griest	MacDonald	Sells
Browning	Guernsey	Maguire, Nebr.	Shreve
Brumbaugh	Hamill	Mahan	Slemp
Burke, Pa.	Hamilton, Mich.	Maher	Smith, Md.
Burnett	Hamilton, N. Y.	Manahan	Smith, N. Y.
Calder	Harris	Martin	Stanley
Carter	Henry	Merritt	Steenerson
Clancy	Hensley	Metz	Stevens, N. H.
Coady	Hoxworth	Montague	Stout
Connolly, Iowa	Hughes, W. Va.	Morin	Stringer
Conry	Humphreys, Miss.	Murdock	Talbott, Md.
Covington	Kelley, Mich.	Nelson	Tavenner
Cramton	Kennedy, Conn.	Oglesby	Thacher
Crisp	Kent	O'Hair	Vare
Dale	Key, Ohio	O'Shaunessy	Walker
Dies	Kiess, Pa.	Page, N. C.	Watkins
Doremus	Kindel	Paige, Mass.	Webb
Driscoll	Kinkead, N. J.	Palmer	Whitacre
Elder	Knowland, J. R.	Parker	Wilson, Fla.
Estopinal	Korbly	Peters	Wilson, N. Y.
Evans	Kreider	Porter	Woodruff
Fairchild	Langham	Post	
Faison	L'Engle	Powers	
Finley	Lesher	Ragsdale	

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. FITZGERALD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 16136) to authorize exploration for and disposition of coal, phosphate, oil, gas, potassium, or sodium, and finding itself without a quorum, he had caused the roll to be called, whereupon 306 Members, a quorum, had answered to their names; and he submitted a list of absentees for printing in the RECORD and the Journal.

The SPEAKER. The Chairman of the Committee of the Whole House on the state of the Union reports that that committee having under consideration the bill H. R. 16136, and finding itself without a quorum, he had caused the roll to be called, and 306 Members, a quorum, had answered to their names; and he submits a list of names of absentees for publication in the RECORD and the Journal. The committee will resume its session.

The committee resumed its session.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate on this section and all amendments thereto in 20 minutes, 5 of which shall be controlled by the gentleman from Washington [Mr. LA FOLLETTE] and 15 by the gentleman from California [Mr. CHURCH], members of the committee.

Mr. MANN. What is the request—to close debate on the section?

Mr. FERRIS. Yes. The prolongation of this debate is getting intolerable.

Mr. MANN. Do I understand the gentleman proposes to say now that he is going to use the gag on us?

Mr. FERRIS. Oh, not that; but the gentleman from Illinois knows that the conditions that have prevailed in this debate have become intolerable. Ten or twelve amendments are offered to a single section of the bill, and none of them is adopted, and continuous debate makes it hard for the committee and hard for the Members. I hope the gentleman will cooperate with us.

Mr. MANN. I certainly will not cooperate in stifling debate on an important bill like this, where the debate has been proper and fair.

Mr. FERRIS. I have not kept account of it; but we have debated this section fully 25 minutes on an amendment merely as to whether we shall give one-half of the land to the oil operator, or one-fourth.

Mr. MANN. As a matter of fact, we have debated that question for only five minutes, and the gentleman is mistaken by four-fifths of his assertion.

Mr. FERRIS. I do not think the gentleman is right about that.

Mr. MANN. I know that I am right about it.

Mr. FERRIS. The gentleman will learn.

Mr. MANN. I know I am right.

Mr. FERRIS. Mr. Chairman, I move that debate on this section and all amendments thereto be closed in 20 minutes.

Mr. MANN. I notify the gentleman that there will be no business transacted without a quorum, either in the committee or in the House.

Mr. FERRIS. We can get a quorum.

Mr. MANN. No; you can not. You have not had a quorum for more than 20 minutes in the past 2 days.

The CHAIRMAN. The gentleman from Oklahoma [Mr. FERRIS] moves that the debate on this section and all amendments thereto close in 20 minutes. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. MANN. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 105, noes 63.

Mr. MANN. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Illinois asks for tellers.

Mr. MANN. There will be no more business done in the House at any time without a quorum. The gentleman can be assured of that.

Mr. DONOVAN. Mr. Chairman, the gentleman from Illinois is out of order.

Mr. MANN. I may be out of order now, but I know that the gentleman from Connecticut is always out of order. [Laughter.]

Tellers were ordered, and the Chairman appointed Mr. FERRIS and Mr. MANN.

The committee again divided; and the tellers reported—ayes 92, noes 51.

So the motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wyoming [Mr. MONDELL].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. MANN. I ask for a division, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois asks for a division.

The committee divided; and there were—ayes 49, noes 86.

Mr. MANN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. FERRIS and Mr. MONDELL.

The committee again divided; and the tellers reported—ayes 1, noes 116.

Accordingly the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. MANN. Mr. Chairman, I take it that the man who has acted as teller is entitled to time enough to return to his seat before the Clerk proceeds with the reading.

The CHAIRMAN. The Chair had no notion that the gentleman from Wyoming [Mr. MONDELL] desired to offer an amendment. The gentleman from Wyoming is recognized.

Mr. MONDELL. Mr. Chairman, I move to amend section 14, line 7, by inserting after the word "permit" the words "and the payment of the price per acre fixed by the placer-mining act."

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 12, line 7, after the word "permit," insert the words "and the payment of the price per acre fixed by the placer-mining act."

The CHAIRMAN. The question is on the amendment of the gentleman from Wyoming.

The question being taken, the Chairman announced that the noes appeared to have it.

Mr. MANN. I ask for a division, Mr. Chairman.

Mr. FERRIS. I ask for tellers, Mr. Chairman.

Tellers were ordered, and the Chairman appointed Mr. FERRIS and Mr. MONDELL.

The committee divided; and the tellers reported—ayes 34, noes 70.

Accordingly the amendment was rejected.

Mr. MONDELL. Mr. Chairman, at the end of section 14 I offer the following amendment: To add the words—

And the permittee shall have a preference right to lease the land covered by his permit.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

At the end of section 14, on page 13, insert the following:
"And the permittee shall have a preference right to lease the land covered by his permit."

Mr. MONDELL. Mr. Chairman, the bill provides that a permittee shall have a permit covering an area the size of which depends upon its distance from a producing oil well, and that if he discovers oil he may, if he desires to do so, secure a patent in fee to one-quarter of the land covered by his permit. I do not believe that in the new fields this would be sufficient to induce prospecting and development. I have said a number of times that I am not altogether in favor of the plan granting fee titles under the act. I would very much prefer a provision under which the permittee, if he discovers oil, may have a preference right to lease the entire tract covered by his permit, or the major portion of it; but if that can not be done, then the permittee should have some sort of a preference over all comers with regard to the land covered by his permit other than that which he can secure by patent. Ordinarily the permittee will have spent a large amount of money in prospecting and development work. He will probably have sunk a number of dry wells, and after it is all over he secures a tract of land which, under ordinary conditions of oil development, is not sufficient for a successful operation. My amendment proposes to give the permittee, after he has discovered oil in paying quantities, a preference right under the conditions contained in the bill to a lease of all the lands covered by his permit.

Mr. LA FOLLETTE. Mr. Chairman, I can not think that the provision of the bill allowing one-fourth of the area on which oil is discovered to be given in fee simple to the discoverer is a wise provision. I listened with interest to the explanation given by the chairman of the committee this afternoon, in which he stated that the purpose of it was to pay the man for the hazard and risk that he had taken. I will grant that on the face of it that looks fair, and if the price of oil was up all the time and booming, and the man who had the advantage of owning part of this tract in fee simple would hold the price up to that of his neighbors' oil and simply take the royalty per barrel as an additional profit, that idea might be tenable. But the prices do not always keep up, and things do not always boom, and it might be that there would be a time of depression in the oil fields. When that time would come and when it was hard to dispose of the oil, the man whom we had legislated into a monopoly, who did not have to pay a royalty, could immediately put down the price of his product 5 or 3 cents, or whatever the royalty was, a barrel and undersell his unfortunate neighbor who had to pay a royalty under his lease. At times it would almost succeed in preventing the sale of his product and compel the lessee to keep his oil on hand. I think to give oil discoverers the right to lease the maximum amount of land allowed under their permits would be eminently fair, and that would not be legislating special privilege in the oil fields.

Mr. JOHNSON of Washington. Mr. Chairman, I want to ask the chairman of the committee a question in regard to the oil leasing. The bill provides for giving the prospector title to one-quarter of the land. I want to ask how will that work where the oil lands to be prospected adjoin an Indian reservation—in the case of allotted lands, where the leases as now granted cover but a small amount of land?

Mr. FERRIS. The gentleman knows that the land can be blocked off in 40-acre lots, or any multiple of 40 acres.

Mr. JOHNSON of Washington. In a new country where the leased land adjoins an Indian reservation, would not this clause result in nothing being done on the Indian land?

Mr. FERRIS. What clause does the gentleman refer to?

Mr. JOHNSON of Washington. I refer to the clause where it provides that one-quarter of the land may be embraced in the prospect permit.

Mr. FERRIS. We do not issue any prospect permits on Indian land.

Mr. JOHNSON of Washington. Does not the fact that you do not operate against the Indians?

Mr. FERRIS. It might.

Mr. LENROOT. Mr. Chairman, I would like to call the attention of the committee to the fact that the gentleman from Texas had an amendment applying it to Indian lands, and unless a further amendment is offered——

Mr. STEPHENS of Texas. I want to say to the gentleman from Washington [Mr. JOHNSON] that I propose at the end of the bill to offer an amendment, suggested by the department, that will correct that deficiency.

Mr. MANN. Mr. Chairman, as I understand, the Indian lands have been included in this bill by amendment. I do not think I am in error about that.

Mr. LENROOT. In form.

Mr. MANN. Why not in fact?

Mr. LENROOT. Because each mineral in the bill is complete in itself.

Mr. MANN. The first section provides generally in reference to the matter, and that governs, as I understand, the balance of the section. I do not know whether the amendment that was agreed to in reference to Indian lands was silly and amounts to nothing, but if it amounts to anything and it was the intention to carry it in the bill, it ought to be carried here.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MANN. Not at present. Mr. Chairman, we have been considering this bill in committee under the five-minute rule for amendment a couple of days. There have been more than a dozen amendments agreed to in the first 12 pages of the bill. It is perfectly evident that this section ought to be amended if it is intended to permit the discovery of gas and oil on Indian land, because it certainly is not the intention for the Government to issue a patent of discovery for 160 acres of Indian lands without anything being paid for it. And if that were done, the Government would have to pay the Indians for this land taken. Under the treaties with the Indians if the Government gives away land, the Government has to pay for it. Any revenue that would come in would go to the Indians. The Government would hold the bag, but would have nothing to show for its interest.

Now, Mr. Chairman, we were getting along very well in considering this bill, and both sides of the House were in good humor. I was endeavoring as far as lay in my power to cooperate with the gentleman from Oklahoma in expediting the consideration of the bill and preserving its main features, with proper amendments to correct its form. There has been before this House no more important bill affecting the country and the property of the country than this one, which revolutionizes the past policy of the Government and proposes to lease its deposits on the public lands which belong to the United States. I am in sympathy with the revolution, but the bill ought to be properly perfected.

All at once the gentleman from Oklahoma, upon a very important section of the bill, which ought to be amended, cuts off discussion because he has the power of a great majority behind him. Well, majorities can rule, but in parliamentary bodies they can only rule under the rules; and I say to the gentleman from Oklahoma that when he endeavors to enforce the power of the majority in a case like this he will have to continue to do it, because there will be nothing done in this House for some time to come by unanimous consent.

Mr. FERRIS. Mr. Chairman, the gentleman from Oklahoma and the Committee on Public Lands have been the recipients of much help and aid from the gentleman from Illinois [Mr. MANN], all of which has been appreciated, and we cherish the hope that in the future he may continue to give it, and we regret that at this time he should fly into a tantrum and serve notice that he will not only raise all of the Cain he can on this

bill, but on every other. If protestations and charges and threats of that sort are the part of a great leader of a great party, let him make the best of it. I have stood here for four or five days, with such earnestness and with such poor ability as I have, and tried to expedite the passage of this bill. The Members of the House on both sides of the aisle are careworn, with more work than their backs can bear up under in their offices, and they have needed their time in their offices. Therefore we have submitted to filibustering amendments and delays that should not have been submitted to. I desire to state that on this side of the House we have not consumed, in my judgment, one-fiftieth part of the time that has been used in debate on this bill under the five-minute rule. I undertake to say that that is a fair estimate of the case. The rest of the time has been used by Members on the other side. Unlimited courtesy, boundless liberality has been the treatment accorded the other side; and what happens? After a question has been debated here time and time again and every conceivable amendment that could be thought of has been offered, with whole bills offered as substitutes for a single section, some gentleman on that side of the House rises in the majesty of the moment and raises the point of no quorum. I think it was the gentleman from West Virginia [Mr. Moss] who so honored us on this occasion. [Applause and laughter on the Democratic side.]

Of course that is a very intellectual thing for a Member to do. It requires great wisdom and learning to make the point of no quorum. Then, in a moment of irritability and in a moment of stress, in a moment of being worn out, I asked unanimous consent to close debate in 20 minutes, thinking that we ought to accomplish something, and that the House would properly require us to do something. The gentleman from Illinois [Mr. MANN], with all of his ingenuity as a parliamentarian and as a filibusterer, gathers on his armor and swings around and serves notice that he will object to every bill next Monday, which he usually does anyway and which he delights to do. That is a day of his particular choosing, of his keenest delight. On no day is he so much in his element as he is on unanimous-consent Monday. He can then rise in his place and object to some poor fellow trying to get some little local bill through. That is a terribly courageous thing to do—to rise and object and send some Member home with some little local bill unpassed that will humiliate him and disgrace him with his constituents. That is a wonderful achievement. That is the gentleman on unanimous-consent Monday as others see him.

But I shall not dwell longer on that. I repeat, the gentleman from Illinois has helped us many times, and I hope he will again help us. I hope that instead of threatening us and browbeating us he will join hands with us and help to put through a bill that does not mean one bit more to my State than it does to his. My services on this bill are as unselfish as are his. There is not a foot of public land in my State. I am trying to do a service for the country, and not for his part, or my party, not for his State or mine. [Applause on the Democratic side.]

The CHAIRMAN (Mr. GARRETT of Tennessee). All time has expired. The question is on the amendment offered by the gentleman from Wyoming.

The question was taken.

Mr. MANN. Mr. Chairman, I demand a division.

Mr. FERRIS Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. MONDELL and Mr. FERRIS to act as tellers.

The committee divided; and the tellers reported—ayes 28, noes 67.

So the amendment was rejected.

The Clerk read as follows:

SEC. 15. That all permits, leases, and patents of lands containing or supposed to contain oil or gas, made or issued under the provisions of this act, shall be suoject to the condition that no wells shall be drilled within 200 feet of any of the outer boundaries of the lands embraced within any permit, tease, or patent, unless the adjoining lands have theretofore been patented or the title thereto otherwise vested in private owners, or unless the lessees or patentees of such adjoining lands shall, with the approval of the Secretary of the Interior, agree to the drilling of wells and removal of the oil or gas from the 200 foot tracts or reservations herein created, and to the further condition that the permittee, lessee, entryman, or patentee will, in conducting his explorations and mining operations, use all reasonable precautions to prevent waste of oil or gas developed in the land, or the entrance of water through wells drilled by him to the oil sands or oil-bearing strata, to the destruction or injury of the oil deposits. Violations of the provisions of this section shall constitute grounds for the forfeiture of the permit, lease, or patent, to be enforced through appropriate proceedings in courts of competent jurisdiction.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word. It was said a moment ago that these bills were for the good of the West. I desire to call the attention of the House to the fact that the distinguished Delegate from Alaska who was here until quite recently, and is now in Seattle, Wash., on his way to the far north, where he has not been for years, declared at a meeting there that Alaska coal-leasing bill provisions are in the interests of monopoly. The heading in the newspaper says, "Alaska coal bill called dangerous—Delegate WICKERSHAM declares provisions favor monopoly." I shall not take the time of the House to read this statement, but I desire to call the attention of Members to the fact that during the limited debate that we had under the five-minute rule on that bill a number of gentlemen on this side of the House called attention to the monopolistic provisions of the bill. I think Judge WICKERSHAM so stated and gave his reasons. His view with regard to the Alaska coal-leasing bill, I am inclined to believe, is the view the western people will have in regard to the several provisions of this leasing bill as soon as they have become familiar with it.

The Clerk read as follows:

SEC. 16. That all deposits of oil or gas and the unentered lands containing the same and classified as oil or gas lands, or proven to contain such deposits, except, however, those embraced in any prospecting permit during the life of the same, those patented or for which application for patent by the permittee is pending under the provisions hereof, may be leased by the Secretary of the Interior through competitive bidding under general regulations in areas not exceeding 640 acres and in tracts which shall not exceed in length two and one-half times their width, such leases to be conditioned upon the payment by the lessee of such royalty as may be fixed in the lease, which royalty on demand of the Secretary of the Interior shall be paid in oil or gas, and the payment in advance of a rental of $1 per acre per annum thereafter during the continuance of the lease, the rental paid for any one year to be credited against the royalties as they accrue for that year. Leases shall be for a period of 20 years, with the preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the time of the expiration of such periods.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word merely for a brief inquiry. Do I understand that the royalty that is to be paid is to be paid in kind—in oil?

Mr. FERRIS. If the Secretary of the Interior so decrees. The thought of the committee was that there might come a time when they might need the royalty in the actual oil, and then the Secretary might decree it should be paid in oil for use by the Navy. The Navy Department was quite interested in having it that way, and the Secretary of the Interior concurred in that view, also the Bureau of Mines and the Geological Survey, and the committee was unanimous.

Mr. STAFFORD. It is merely a reservation in case such an emergency might arise, otherwise it would be paid in money?

Mr. FERRIS. Yes.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. FERRIS. I do.

Mr. MADDEN. Is the oil to be taken at a stipulated price, or market price?

Mr. FERRIS. There was nothing said about that. They take an eighth or a sixth of the total output after taking the royalty on the oil, and, of course, the producing company would deliver to the Government in oil instead of paying the market rate in cash. That is the only difference.

Mr. MONDELL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Wyoming offers the following amendment, and the pro forma amendment is withdrawn. The Clerk will report the amendment.

The Clerk read as follows:

Page 14, line 25, after the word "period," change the period into a colon and insert the following:

"*Provided further*, That upon relinquishment or surrender to the United States, within six months from the date of this act, by any locator or his successors in interest of his or their claim to any unpatented oil or gas lands included in an order of withdrawal, upon which oil or gas has been discovered, was being produced, or upon which drilling operations were in actual progress January 1, 1914, and the claim to which land was initiated prior to July 3, 1910, the Secretary of the Interior shall lease to such locator or his successors in interest the said lands so relinquished, not exceeding, however, the maximum area of 2,560 acres to any one person, association, or corporation, said leases to be conditioned upon the payment by the lessee of a royalty of not exceeding one-eighth of the oil or gas extracted or produced from the leased premises or the proceeds thereof, each lease to be for a period of 20 years, with the preferential right in the lessee to renew the same for succeeding periods of 10 years, upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior."

Mr. FOSTER. Mr. Chairman, I reserve a point of order on the amendment.

Mr. MONDELL. Mr. Chairman, I desire to say that in the momentary absence of the gentleman from California [Mr. CHURCH], who has been called out for a moment, I offered this amendment. I am very much in favor of it, but the amendment is a copy of one that was to be offered by the gentleman from California [Mr. CHURCH]. It does not, however, contain a naval-reserve provision as his amendment does.

Mr. FOSTER. I beg to state to the gentleman from Wyoming that I had no thought or intent of that kind, but this is

a long amendment; it is late in the evening, and we ought to be given a chance——

Mr. MONDELL. I simply made the statement I did in justice to the gentleman from California [Mr. CHURCH], who was out for the moment.

Mr. RAKER. Mr. Chairman, I want to call attention to the fact that I hold the same amendment in my hand, but I understood it was not going on to-night. This is an amendment of Mr. CHURCH'S, to which he has given months of earnest work, in which I have collaborated, and I want to say to the committee——

Mr. MONDELL. I was generous enough to acknowledge the gentleman from California intended to offer it. We are all of us greatly interested in it—those of us from western oil districts. I did not intend to allow the opportunity to have the amendment offered get by.

Mr. RAKER. I hold it in my hand, and I have had it all day; but I understood it was to go over until the next meeting of the House, and then offer it at the end of the next section, if Mr. CHURCH was temporarily absent, and that is why——

The CHAIRMAN. The Chair overrules the point of order.

Mr. MANN. The point of order was only reserved. Perhaps the Chairman would hear me on the point of order.

The CHAIRMAN. Does the gentleman from Illinois insist on his point of order?

Mr. FOSTER. Mr. Chairman, I reserved the point of order because I did not hear the amendment clearly, and I wanted to go over it for that reason. If the Chair overrules the point of order—as I gather from the amendment, it is a proposition to fix the status of certain oil claims.

Mr. MOORE. Will the gentleman from Illinois yield for a moment?

Mr. FOSTER. Certainly.

Mr. MOORE. The gentleman said a moment ago it was getting late in the evening, and rather indicated that we might soon rise. Is there any such intent?

Mr. FOSTER. I do not know and I could not say.

Mr. MOORE. Well, the chairman of the committee indicated that he was quite tired, quite fatigued, a little while ago. Does not the gentleman think it is time to rise?

Mr. FOSTER. I will say that I do not know anything about that. I could not speak for the chairman.

Mr. MOORE. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Illinois [Mr. FOSTER] insist on the point of order?

Mr. FOSTER. Why, as the Chair seems to be against me, I think it may be just as well to withdraw the point of order.

Mr. MANN. Mr. Chairman, I renew the point of order.

The CHAIRMAN. Does the gentleman wish to be heard on it?

Mr. MANN. I do, before it is determined. The amendment the Chair has provides that upon the relinquishment or surrender to the United States within six months from the date, and so forth, by a locator of any claim to any unpatented oil or gas lands included in an order of withdrawal on which oil or gas has been discovered and was being produced, or upon which drilling operations were in actual progress January 1, 1914, and the claim to which land was initiated prior to July 3, 1910, the Secretary of the Interior may in his discretion lease, on such reasonable terms and conditions as he may prescribe, land to the locator, the said leases to be conditioned upon the payment by the lessee of a royalty of not exceeding one-eighth of the oil or gas extracted or produced from the leased premises or the proceeds thereof, the preferential right to be in the lessee to renew the lease, and money which may accrue to the United States shall be covered into the Treasury to the credit of a fund to be known as the "naval petroleum fund."

This amendment is for the purpose of compromising certain claims against the United States on certain oil lands. It is a pure case of compromising claims, and admitted to be such. The bill is in reference to the leasing of lands where the Government of the United States owns the land or owns the deposits. These people claim they own this land. There is no requirement in this amendment that this land shall be owned by the Government. They have their rights upon the land, or claim them. While, of course, it is a proper matter for legislation, it does not relate to anything in the bill.

Mr. MONDELL. Mr. Chairman, this bill proposes a new method of disposing of the lands of the United States containing oil. There is a law now in force—the placer act—under which claims are initiated for this same class of lands.

Mr. MANN. Mr. Chairman, I will withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn, and the question is on agreeing to the amendment.

Mr. CHURCH. Mr. Chairman, I offer the following as a substitute.

The CHAIRMAN. The gentleman from California offers a substitute to the amendment offered by the gentleman from Wyoming [Mr. MONDELL], which the Clerk will report.

The Clerk read as follows:

Page 14, line 25, after the word "periods," change the period into a colon and insert the following:

"*Provided further*, That upon relinquishment or surrender to the United States, within six months from the date of this act, by any locator or his successors in interest of his or their claim to any unpatented oil or gas lands included in an order of withdrawal upon which oil or gas had been discovered, was being produced, or upon which drilling operations were in actual progress January 1, 1914, and the claim to which land was initiated prior to July 3, 1910, the Secretary of the Interior may in his discretion lease, on such reasonable terms and conditions as he may prescribe, to such locator or his successors in interest the said lands so relinquished, not exceeding, however, the maximum area of 640 acres to any one person, association, or corporation, said leases to be conditioned upon the payment by the lessee of a royalty of not exceeding one-eighth of the oil or gas extracted or produced from the leased premises or the proceeds thereof, each lease to be for a period of 20 years, with the preferential right in the lessee to renew the same for succeeding periods of 10 years, upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior: *And it is further provided*, Any money which may accrue to the United States under the provisions of this act from lands within the naval petroleum reserves shall be set aside for the needs of the Navy and deposited in the Treasury to the credit of a fund to be known as the Navy petroleum fund, which fund shall be applied to the needs of the Navy as Congress may from time to time direct, by appropriation or otherwise."

Mr. MANN. Mr. Chairman, I make a point of order against the amendment of the gentleman from California [Mr. CHURCH].

The CHAIRMAN. The gentleman from Illinois makes a point of order.

Mr. FERRIS. Mr. Chairman, the amendment offered by the gentleman from California, as I understand it, is identical with the amendment of the gentleman from Wyoming, save and except it has attached to it a proviso that the money shall go into the Treasury as a fund for the Navy as Congress may see fit to appropriate.

Mr. MANN. I think that is a correct statement.

Mr. FERRIS. I think that is it.

Mr. MANN. This merely makes the amendment in harmony with the bill we passed by unanimous consent.

The CHAIRMAN. The Chair sustains the point of order. It is clearly devoted to matters not germane to the bill.

Mr. LENROOT. Will the gentleman hear me on the point?

The CHAIRMAN. The Chair will hear the gentleman, but has already decided the question.

Mr. LENROOT. If the Chair will examine later provisions of the bill, he will find that this bill does provide for the disposition of the proceeds of the leases of these public lands. It provides later on that all the proceeds shall go into the reclamation fund, and all this amendment does is to provide a different manner of disposition of proceeds of a portion of these leased lands than the disposition provided in the bill for the lands generally.

Mr. MANN. Will the gentleman yield for a question?

Mr. LENROOT. Yes.

Mr. MANN. Under the provision that provides the proceeds shall go into the reclamation fund would the gentleman think it germane to offer an amendment to build a battleship out of the proceeds?

Mr. LENROOT. No.

Mr. MANN. Does he think it germane to order it placed in the naval fund?

Mr. LENROOT. Certainly.

Mr. MANN. If so, it is germane to provide how it shall be expended.

Mr. LENROOT. The proceeds accruing through this bill must be provided for somewhere. It must either go into the Treasury under the head of miscellaneous receipts or in the reclamation fund as provided in the bill.

The bill itself provides that half of the proceeds shall afterwards be paid to the States, and it is entirely competent in this bill; and I submit that it is germane to the bill to make such provision for the placing of the proceeds of these leases as the committee may desire to make. So far as a battleship is concerned, there is no attempt to control the proceeds of these funds after the fund is made.

Mr. MANN. Oh, yes; there is, certainly.

Mr. LENROOT. It is expressly left in the hands of Congress.

Mr. MANN. Oh, no; it is not. Half of the proceeds go to the State. The provision expressly provides where the funds shall go, and if the gentleman is correct as a parliamentary proposition, we can change that and provide that all the money shall go into a good-roads fund, for example, and we can provide how it shall be expended. It would not be germane.

Mr. LENROOT. Section 30 of the bill is the one that provides for the disposition of these funds; and, having treated of that subject, and having undertaken to provide for a certain disposition of the funds, it is entirely germane to provide for any other disposition of the funds that the committee sees fit to make.

The CHAIRMAN. Notwithstanding the argument of the gentleman from Wisconsin [Mr. LENROOT] as to section 30, the Chair is still of the opinion that this amendment is not germane to the bill at this point, and the Chair sustains the point of order.

Mr. CHURCH. Mr. Chairman, I desire to say a few words in regard to the amendment offered by the gentleman from Wyoming [Mr. MONDELL]. I am very glad, indeed, that the gentleman offered this amendment at the time that he did, as I was temporarily out, and I considered it as nothing more nor less than an act of kindness on his part to introduce it at this time.

Owing to the fact that the Government has not provided the oil prospector with a general law applicable to the location of oil, in the interests of justice it is absolutely necessary that this amendment shall prevail. Men engaged in the oil business, finding themselves without a suitable law under which to operate, have been obliged to use their own judgment and adopt a law which is best calculated to serve them. In doing this the placer-mining law has been chosen almost by unanimous consent.

When President Taft, in September, 1909, issued an order withdrawing certain public lands from entry a great hardship was worked upon certain people who were at that time located on some of the land withdrawn.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Ohio?

Mr. CHURCH. I have not much time, and I have yet much to say.

Mr. GORDON. I wanted to ask the gentleman what business they had on this land? Were they on that land without right or permission?

Mr. CHURCH. It would take 20 minutes to explain it.

Mr. GORDON. Had they any right to be on it at all?

Mr. CHURCH. If the gentleman were familiar with the conditions on the public lands he would understand that situation. I will undertake, however, to answer the gentleman, and my answer is this:

Under this placer-mining law, applying to gold mining as it does, first a discovery is necessary, then posting of a notice, and finally the filing of a copy of the same in the county recorder's office. Placer gold is generally found at the grass roots, can be discovered frequently by the aid of a pick or shovel, and often requires but a few moments' time, while oil is located from 1,500 to 4,500 feet below the surface of the earth, requires an expenditure of from $20,000 to $150,000 to bore a well, and from 6 to 18 months to complete the work; yet until a special law was passed the prospector had no rights which others were bound to respect until he actually made the discovery. When President Taft withdrew from entry large tracts of public land in California he made no provision for the man already on the ground spending his time and money in the pursuit of oil.

At the date of the withdrawal many men in the very best of faith were located on the withdrawn land, doing everything possible to make a discovery of oil. Some were building roads to their claims, others establishing derricks and drilling outfits, while still others were engaged in drilling, in some instances having expended, to my knowledge, as high as $50,000 in the effort. Of course, when the withdrawal was made it spread consternation in the oil fields, and had the order not been modified millions of dollars of property would have been virtually confiscated by the Government; but a committee of oil men came on to Washington, and, after remaining here for a long time pressing their cause, were finally rewarded on the 25th of June, 1910, by seeing the Pickett bill passed and approved, which provided that the terms of the withdrawals should not apply to any person who at the date of the withdrawal was located on public land diligently in pursuit of oil, and who continued thereafter until discovery was made. Thus the Government by the passage of this law pulled this certain class of operators from the hole in which it had placed them by not providing a general law applicable to their work.

Not long after this the Interior Department made a ruling that an application for a patent would be denied unless the applicant was the original locator of the oil land, or unless he had purchased the land from his grantor after the discovery of oil. This ruling again spread consternation in the oil fields, for hundreds of men in the best of faith had located on Government land, established their derricks and pumping plants at great expense, and had continued the operation of boring until they were forced to stop by reason of the fact that their funds were entirely depleted. Such found it necessary to sell their holdings, which they did in many instances, and the purchaser continued the work, finally making a discovery which justified him in asking for a patent from the Government. This he could not receive under the ruling of the Interior Department, which in hundreds of instances spelled ruin and meant again the confiscation of millions of dollars' worth of property by the Government. Again the committee came on to Washington, and were rewarded after a time by seeing the Smith bill passed and approved, which provided that no application for a patent should be denied on the grounds that the applicant was not the original locator of the land in question or that he purchased the land prior to the discovery of oil. So the Government pulled this class of oil operators out of the mire into which it had driven them by not providing for their use a general and suitable law.

A few months ago the Government brought several suits against claimants of oil wells on the ground that they were illegally in possession of the same. In these suits all who had purchased oil taken from the wells in question were made codefendants. This act on the part of the Government operated as a permanent injunction against the further sale of oil taken from lands, a grant to which had not been made to private parties. The prospective purchaser refused to buy oil taken from such lands, not knowing but that the Government might in the future question the title of the holder, and, as it had done in the past, make codefendants of all parties who had purchased oil from such wells. Again the committee came to Washington, and after many weeks of hard work were finally rewarded, on August 25 of this year, by seeing a bill which I had filed for their relief enacted into law. This bill authorized the Secretary of the Interior to make arrangements with all parties occupying unpatented land, so that they could sell their oil during the pendency of the application for a patent, the Government retaining a royalty sufficient to guarantee it against loss, provided the patent application was denied. And thus again, by special act, the Government assisted another class that were dreadfully embarrassed by reason of the fact that no general law was applicable to their oil operations.

The placer-mining law, which the oil operators were compelled to follow, provided that eight persons jointly could take up eight claims, consisting of 20 acres each, and hold as a company 160 acres of land. This plan was followed in the oil regions, and for years was recognized by the Interior Department, but some time ago the department discovered that in some instances all of the original eight locators were not really interested in the property upon which they had filed. For instance, in some cases a husband had placed on the location notice the name of his wife, or a father the name of his son, or the name of some other relative or friend had been used for the same purpose; that in these cases parties really interested had prosecuted their work to a final discovery, and in many instances had sold to innocent purchasers who knew nothing about the fraud perpetrated upon the Government and could not know, owing to the fact that the records in such cases appeared regular and proper in every respect. On account of this latter discovery on the part of the Interior Department it has almost ceased to grant patents at all, but is waiting until this general leasing bill shall become the law, and until this amendment which I have just introduced shall become an operative law. As stated before, the Interior Department has recommended the amendment in question and is anxious to see it adopted. When this is done innocent purchasers of these questionable claims can go before the Secretary of the Interior, renounce their claim to a patent, and in its stead secure a lease for the land which their money and energy have converted into an oil-paying property. If this relief is not afforded it simply means the confiscation of property which has been developed to its present state of usefulness by the expenditure of millions of dollars. It also means the driving from the oil fields of California many worthy people who have innocently and conscientiously invested their money and strength in the development of the public domain.

Mr. FERRIS. Mr. Chairman, I move that at the expiration of 10 minutes debate on this section and all amendments thereto be closed.

Mr. RAKER. I want five minutes of that.

Mr. LENROOT. I hope the gentleman will not make that request yet. It is too soon.

Mr. FERRIS. I have no desire to cut off gentlemen who wish to speak. I withdraw the request.

Mr. FOSTER. Mr. Chairman, I only want a moment's time; I do not think I want five minutes. As I understand it, this amendment is intended to relieve a condition that exists in California in reference to the oil lands, but it goes much further than that. As I understand, there are certain lands in that State which are reserved for procuring oil for the Navy. If this amendment is adopted as it stands now, all the proceeds of the oil that comes from the leasing of these lands will not go into a fund for the Navy, but will go into the reclamation fund, and the Navy will get no benefit whatever from it nor any oil to be used by the Navy.

Mr. LENROOT. There will be an amendment offered to section 30 to cover that.

Mr. FOSTER. But if this amendment is adopted and the other is not, or if it is held out of order, then this money will go, not to the naval fund, for the benefit of which these lands have been set aside, but to the reclamation fund, where the Navy Department will get no benefit.

Mr. MANN. Will the gentleman yield?

Mr. FOSTER. Certainly.

Mr. MANN. Does the Navy or the United States own the land?

Mr. FOSTER. It has been set apart for the use of the Navy.

Mr. MANN. But the Government owns the land; we make the appropriation.

Mr. FOSTER. Yes; it belongs to the United States.

Mr. MANN. Why should we start in to set apart for the Navy a special fund, and for the Army a special fund, and for Tom, Dick, and Harry a special fund?

Mr. FOSTER. I judge that it was done because the Navy needs a great deal of oil for fuel purposes.

Mr. MANN. We appropriate the money to buy the oil. They do not get the oil out of this. If this amendment is not agreed to, they may get the oil. Under this amendment they will not get the oil, but they get the money we appropriate. It will not cost any more to take it out of one pocket than out of the other.

Mr. FOSTER. These lands were set apart for that particular purpose.

Mr. LENROOT. It is only a small portion of the land.

Mr. FOSTER. Under this amendment the Navy will not get the benefit of it. I agree that it all comes out of the Government; it is like taking it out of one pocket and putting it into another. But if we sell the oil for 50 cents a barrel and buy oil for $1.50, it will not be a good business for the Government.

Mr. MANN. If the Navy was to have the oil, very well.

Mr. FOSTER. The Navy has no use for the land, except to get the oil.

Mr. MANN. The Navy could not use the money unless we appropriated it. We will provide sufficient fuel for the Navy.

Mr. FOSTER. I think the Navy has been very particular in wanting to maintain their rights under this bill as far as their getting the proceeds or the oil.

Mr. MANN. I thought it was quite proper in the temporary bill to provide that, but this is another proposition. Here is a permanent disposition of the land. The Navy is not interested in it, and ought not to be; they will get money for all the fuel they need.

Mr. FOSTER. They might get it cheaper if they could get the royalties from their own property.

Mr. MANN. Not at all; this money would have to be paid into the Treasury and appropriations made by Congress just the same.

Mr. FOSTER. They might get the oil, which would be more valuable.

Mr. MANN. If this amendment is adopted they will not. Mr. Chairman, I move to amend the amendment by striking out in the seventh line from the bottom the word "exceeding" and inserting in lieu thereof the words "less than."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

In the seventh line from the bottom of the Mondell amendment, strike out the word "exceeding" and insert the words "less than."

Mr. MANN. Mr. Chairman, the amendment provides for the adjustment between the Government and the persons claiming the right upon the property, so that the Government would permit these locators to go ahead with the oil, the Government exacting a royalty of not exceeding one-eighth. Nobody could tell what that would be. My proposition is to make it not less than one-eighth, so that we know that it will be at least one-eighth.

Mr. FERRIS. Mr. Chairman, I am heartily in favor of the amendment, and I am informed by the two gentlemen from California that they are.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois to the amendment offered by the gentleman from Wyoming.

The question was taken, and the amendment to the amendment was agreed to.

Mr. RAKER. Mr. Chairman, I want to take but a minute of the committee's time. As has been stated, the House reported the bill and the Senate has passed it. The Committee on the Public Lands took up the Senate bill, which is substantially the same as the House bill, and directed the chairman to move to take it from the Speaker's table and put it before the House for passage. The Secretary of the Interior, in his report on the bill, uses the following language:

DEPARTMENT OF THE INTERIOR,
Washington, April 17, 1914.

Hon. SCOTT FERRIS,
Chairman Committee on Public Lands,
House of Representatives.

MY DEAR MR. FERRIS: I am in receipt of your request for report on H. R. 15661, a bill to authorize the Secretary of the Interior to lease certain unpatented public lands on which oil or gas has been discovered. The measure is peculiarly applicable to conditions existing in the oil fields in the State of California, but may apply to a lesser extent to similar claims in the State of Wyoming and other portions of the public domain.

On July 3, 1910, there were promulgated various orders of withdrawal made by the President, under the authority of the act of June 25, 1910 (36 Stat., 847), withdrawing from location and entry areas of public land believed to contain valuable deposits of oil and gas pending classification and the consideration by Congress of the advisability of enacting legislation better adapted to the production and disposition of these minerals than the present general mining laws.

Prior to the withdrawal and the act of Congress mentioned, many claims had been initiated or attempted to be initiated under the provisions of the general mining laws to lands within the areas subsequently withdrawn. With respect thereto Congress provided in section 2 of the act of June 25, 1910, supra—

"That the rights of any person who, at the date of any order of withdrawal heretofore or hereafter made, is a bona fide occupant or claimant of oil or gas-bearing lands, and who at such date is in diligent prosecution of work leading to discovery of oil or gas, shall not be affected or impaired by such order so long as such occupant or claimant shall continue in diligent prosecution of said work: *And provided further,* That this act shall not be construed as a recognition, abridgement, or enlargement of any asserted rights or claims initiated upon any oil or gas bearing lands after any withdrawal of such lands made prior to the passage of this act."

The latter clause had reference to certain withdrawals theretofore made by the Secretary of the Interior.

In the case of H. H. Yard (38 L. D., 59) the department ruled that a placer location for 160 acres made by eight persons, and before discovery of mineral thereon transferred to a single individual or corporation, was invalid because not preceded by a discovery of mineral and could not, under the law, be perfected by the transferee upon a subsequent discovery. Many existing claims for deposits of oil and gas being for this reason invalid, Congress passed the remedial act of March 2, 1911 (36 Stat., 1015).

It now transpires that numerous locations upon lands containing oil and gas deposits were made by associations of individuals for and on behalf of corporations or other individuals and not in the interest of the locators, and covered a larger area than could have been embraced in single locations by their principals. Such locations have been held illegal by various decisions of the Department of the Interior and the courts. It appears, however, that many such locations have finally passed by transfer, lease, or contract into the hands of oil operators who in good faith and without actual notice of any defect in title have, at large expense, drilled and developed producing wells upon the tracts, and that the cancellation or denial of the claims under existing law will result in depriving these operators of their labor and expense. The condition is recognized and temporary relief proposed in H. R. 15469, recommended by this department and favorably reported by your committee, which bill proposes to authorize the Secretary of the Interior to enter into temporary arrangements with the operators for the disposition of the oil or gas and the proceeds thereof pending final determination of title. However, as stated in my said report of April 10, 1914, H. R. 15469 will give temporary relief only, and does not provide a method for disposition of the lands or the deposits after final adjudication of the cases, if the claims of the applicants be finally denied. H. R. 15661 proposes to provide for this condition by authorizing the locators or their successors in interest in cases where oil or gas has been discovered, was being produced, or upon which drilling operations were in actual progress January 1, 1914, upon lands the claims to which was initiated prior to July 3, 1910, by authorizing the Secretary of the Interior, upon surrender to the United States by the claimant of his interest in the defective location, to lease to him the lands so occupied, improved, and developed, not exceeding in any case 2,560 acres, upon payment by such lessee of a royalty of not exceeding one-eighth of the oil or gas extracted or produced. This measure will, in my opinion, not only afford relief to operators who, as stated, have in good faith made large expenditures in the development of oil or gas from such lands, but will operate to relieve the land department from a large amount of expense and work in investigating and adjudicating claims to such lands presented under the general mining laws.

It is in line with the general policy of the bill for the future leasing of oil, gas, and other minerals now before your committee and before the Senate, but, because of its being designed to meet and cure an existing condition, properly forms the subject of a separate and remedial measure.

I recommend the enactment of H. R. 15661.

Very truly, yours,

FRANKLIN K. LANE.

Now, Mr. Chairman, this bill H. R. 15661 is the amendment which has been presented to the committee. I hope the amendment will be adopted.

Mr. MONDELL. Mr. Chairman, I hope the amendment will be adopted. I regret somewhat the adoption of the amendment

offered by the gentleman from Illinois, but I hope that under that amendment the Secretary of the Interior will take as the maximum the minimum we have fixed by that amendment. There are, as the gentleman from California [Mr. CHURCH] has stated, quite a number of claimants to oil lands who had a great deal of difficulty in securing patents. There have been a number of reasons for that, due somewhat to changing decisions under the placer acts, under which oil lands are taken, and due somewhat to withdrawals of oil lands. Questions have arisen in regard to what constituted a proper and legal location, questions as to so-called dummy entries, questions as to when drilling operations were undertaken, as to whether they were in progress at the time of withdrawal. These various questions have prevented the patenting of some oil lands in California and Wyoming. The probability is that these questions will not be decided as to some of these claims for a considerable time in the future. They are more or less involved. Some of the questions are now before the Supreme Court. In that state of affairs, it seems entirely proper—in fact, as regards the claims that I have in mind, certain claims in California and in the Oil Creek field in Wyoming and elsewhere, it would be very much in the public interest—if some such plan as this were adopted, whereby those lands can be developed. Some of them are now having the oil drawn from them by the owners and proprietors of surrounding lands. In the case of the Salt Creek field in Wyoming there is a demand for more oil; as to some of these lands that are in controversy the owners have hesitated to develop until there was more certainty as to title, and development would be in the public interest. It ought to go on, and I think it would go on under the plan proposed, but claimants can hardly be expected to continue their development under the uncertainty now existing.

Mr. MADDEN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present. The Chair will count. [After counting.] Seventy-three Members present—not a quorum.

Mr. FERRIS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. FITZGERALD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 16136) to authorize explorations for and disposition of coal, phosphate, and so forth, and had come to no resolution thereon.

Mr. MANN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. Evidently there is not a quorum present.

ADJOURNMENT.

Mr. FERRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Friday, September 18, 1914, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 4012) to increase the limit of cost of the United States public building at Grand Junction, Colo., reported the same with amendment, accompanied by a report (No. 1154), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Kentucky, from the Committee on the District of Columbia, to which was referred the bill (S. 1624) to regulate the construction of buildings along alleyways in the District of Columbia, and for other purposes, reported the same without amendment, accompanied by a report (No. 1155), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ESCH, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 18607) to authorize the Chicago, Milwaukee & St. Paul Railway Co. and the Chicago, St. Paul, Minneapolis & Omaha Railway Co. to construct a bridge across the Mississippi River at St. Paul, Minn., reported the same without amendment, accompanied by a report (No. 1156), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KIRKPATRICK: A bill (H. R. 18839) to provide for the issue of bonds to be known as the popular government loan; to the Committee on Ways and Means.

By Mr. SISSON: A bill (H. R. 18840) to repeal the act of February 8, 1875, levying a tax of 10 per cent per annum on every person, firm, association other than national-bank associations, and every corporation, State bank, or State banking association, on the amount of their own notes used for circulation and paid out by them; to the Committee on Ways and Means.

Also, a bill (H. R. 18841) to suspend for a period of two years the act of February 8, 1875, levying a tax of 10 per cent per annum on every person, firm, association other than national-bank associations, and every corporation, State bank, or State banking association, on the amount of their own notes used for circulation and paid out by them; to the Committee on Ways and Means.

By Mr. MOON: A bill (H. R. 18842) to amend the act approved June 25, 1910, authorizing a postal savings system; to the Committee on the Post Office and Post Roads.

By Mr. GLASS: A bill (H. R. 18843) to amend sections 11 and 16 of the Federal reserve act; to the Committee on Banking and Currency.

By Mr. FRENCH: Joint resolution (H. J. Res. 347) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FREAR: Concurrent resolution (H. Con. Res. 49) directing the Attorney General to ascertain if questionable and improper methods have been used in connection with the passage of the rivers and harbors appropriation bill; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWDLE: A bill (H. R. 18844) granting an increase of pension to Charlotte Reagin; to the Committee on Invalid Pensions.

By Mr. ESTOPINAL: A bill (H. R. 18845) for the relief of the heirs of Eliza A. Carradine; to the Committee on War Claims.

By Mr. GOEKE: A bill (H. R. 18846) granting an increase of pension to William H. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18847) granting an increase of pension to John Pierstock; to the Committee on Invalid Pensions.

By Mr. HULINGS: A bill (H. R. 18848) granting an increase of pension to William M. Steen; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 18849) granting an increase of pension to Mary Koons; to the Committee on Pensions.

By Mr. RUPLEY: A bill (H. R. 18850) granting an increase of pension to Elizabeth J. Kendig; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BALTZ: Protest of Carpenters' Local Union No. 377, of Alton; Local Union No. 474, United Mine Workers of America, of Edgemont Station, East St. Louis; Local Union No. 1802, United Mine Workers of America, of Maryville; Local Union No. 21, Brewery Workers, of Belleville; Trades Council, Collinsville; Local Union 99, United Mine Workers of America, of Belleville; Local Union 2514, United Mine Workers of America, of Belleville; Local Union 703, United Mine Workers of America, of O'Fallon; Local Union 2708, United Mine Workers of America, of Edgemont Station, East St. Louis; Local Union No. 1090, United Mine Workers of America, of New Athens; Local Union 10943, Tin, Steel, and Granite Ware Workers, of Granite City; and Horseshoers' Union No. 119, of East St. Louis, all in the State of Illinois, against letting of Government contract by Post Office Department to private printing company not employing union labor for printing of commercial corner cards on stamped envelopes; to the Committee on Printing.

By Mr. BRITTEN: Petition of the United Master Butchers of Chicago, Ill., urging certain lines of action for conserving the

meat supply of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. DEITRICK: Petition of the Volunteer Officers of the Union Army in the Civil War, favoring Senate bill 392, the Volunteer officers' retired list; to the Committee on Invalid Pensions.

By Mr. DONOVAN: Petition of the Connecticut Deeper Waterways Association, favoring rivers and harbors bill; to the Committee on Rivers and Harbors.

By Mr. FESS: Petition of sundry citizens of Greenfield, Ohio, favoring House joint resolution 282, relative to North Pole controversy; to the Committee on Naval Affairs.

By Mr. GARD: Petition of the Volunteer Officers of Union Army of the Civil War, assembled in Detroit, Mich., favoring Townsend bill (S. 392), the Volunteer officers' retired list; to the Committee on Invalid Pensions.

By Mr. GORDON: Petition of W. D. Smith, of Isle St. George, Ohio, relative to tax on wine; to the Committee on Ways and Means.

By Mr. GRAHAM of Pennsylvania: Petition of the Philadelphia Maritime Exchange, against House bill 18666, for Government ownership of vessels in the foreign trade of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. KAHN: Petition of the Volunteer Officers of the Union Army in the Civil War, favoring Senate bill 392, the Volunteer officers' retired list; to the Committee on Military Affairs.

By Mr. KENNEDY of Connecticut: Petition of the International Typographical Union, of Indianapolis, Ind., favoring amendment to section 85 of House bill 15902; to the Committee on Printing.

By Mr. LONERGAN: Petition of the Arthur Chemical Co., of New Haven, Conn., protesting against taxing perfumes and toilet articles; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of John T. Maguire, of Providence, R. I., favoring amendment to section 85 of House bill 15902; to the Committee on Printing.

By Mr. STEPHENS of California: Petition of Golden West Tent, No. 58, Knights of the Maccabees, of San Francisco, Cal., favoring Hamill civil-service retirement bill; to the Committee on Reform in the Civil Service.

Also, petition of the Coffin Redington Co., of San Francisco, Cal., relative to tax on proprietary medicines; to the Committee on Ways and Means.

Also, petition of the Retail Druggists' Association of Los Angeles, Cal., favoring taxation of publishers for war revenue; to the Committee on Ways and Means.

Also, petition of the Densmore Stabler Refining Co. and T. W. Okey, of Los Angeles, Cal., relative to proposed tax on gasoline; to the Committee on Ways and Means.

Also, petition of the Board of Trade of San Francisco, Cal., relative to use of mails by insurance companies; to the Committee on the Post Office and Post Roads.

SENATE.

FRIDAY, *September 18, 1914.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, at the threshold of the great responsibilities of this day we wait this moment before Thee to lift our hearts and minds to the center and source of all truth, of all righteousness, of all greatness and power. May we draw from Thee the equipment for the day's work and when the evening hour shall come may we look back upon the day spent under the inspiration of the Divine presence and expressive of the Divine thought in us as individuals and as a Nation. Equip us not only with wisdom and power but with character, for we know that in the great last assize character is that which counts with God and eternity. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (James M. Baker) read the following communication:

PRESIDENT PRO TEMPORE UNITED STATES SENATE,
Washington, September 18, 1914.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. J. T. ROBINSON, a Senator from the State of Arkansas, to perform the duties of the Chair during my absence.

JAMES P. CLARKE,
President pro tempore.

Mr. ROBINSON thereupon took the chair as Presiding Officer, and directed the Secretary to read the Journal of the proceedings of the last legislative day.

The Journal of the proceedings of the legislative day of Wednesday, September 16, 1914, was read.

Mr. KENYON. I desire to ask the Secretary to read the part of the Journal which refers to the Senator from Iowa yielding to the Senator from Louisiana.

The PRESIDING OFFICER. Without objection, the Secretary will read the part indicated.

The Secretary read as follows:

Mr. KENYON being on the floor, and having yielded to Mr. RANSDELL at his request, Mr. BRYAN made the point of order that a Senator having possession of the floor could not yield unless by unanimous consent; and—

Mr. KENYON. That is the part I wanted to have read. I wish to suggest that that is not in accordance with the RECORD, and I refer to page 15258, where I say:

I have been interrupted too frequently in the past to decline now. I am very glad to be interrupted, not for a speech, but for a question.

The Journal now reads as though I had surrendered the floor. I merely offer that suggestion.

Mr. CLAPP. I take it, of course, the Journal would not be a record of all that was said on the floor. The RECORD contains that. I do not think that there is any discrepancy between the Journal and the RECORD. One is a generalization of what occurred and the other details all that was said.

Mr. KENYON. Of course, I did not yield the floor to the Senator from Louisiana.

Mr. CLAPP. The RECORD shows that.

Mr. JONES. I wish to suggest——

The PRESIDING OFFICER. The Chair will state to the Senator from Iowa that the Journal does not disclose that he yielded the floor. It merely discloses that he yielded, which is according to the usual custom in such cases.

Mr. JONES. It seems to me that the Journal should show that the yielding was for a question, and for no other purpose.

The PRESIDING OFFICER. The RECORD shows that the Senator from Louisiana merely asked the Senator from Iowa to yield, and thereupon the Chair directed to the Senator from Iowa the question as to whether or not he would yield to the Senator from Louisiana, and the Senator from Iowa announced his purpose of yielding. As to the purpose of the Senator from Louisiana in asking the Senator from Iowa to yield, the RECORD shows that to have appeared later in the debate. It was not disclosed upon the first request. Without objection, the Journal will be approved. The Chair hears no objection.

LEAVE OF ABSENCE.

Mr. THOMAS. Mr. President, being obliged to go away, I respectfully ask the Senate to grant me a leave of absence not to exceed two weeks.

The PRESIDING OFFICER. The Senator from Colorado asks for a leave of absence not to exceed two weeks. Is there objection? The Chair hears no objection.

PETITIONS AND MEMORIALS.

Mr. JONES. I have received a telegram, in the nature of a petition, from the secretary of the Columbia and Snake River Waterways Association, urging the passage of the pending river and harbor bill. I ask that it be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SPOKANE, WASH., *September 17, 1914.*

Senator WESLEY L. JONES,
Washington, D. C.:

The Columbia and Snake River Waterways Association, composed of commercial bodies and citizens of the States of Oregon, Washington, Idaho, and Montana, in convention assembled at the city of Spokane, Wash., on this date unanimously request the Senators and Representatives of the States mentioned to urge the passage of the pending river and harbor bill without material reduction so far as Pacific coast projects are concerned, and generally, so far as practicable, inclusive of all projects recommended by the United States engineers. The convention also voices its protest against the obstructive tactics of United States Senators in opposition to the pending bill, believing that these tactics, if successful in the defeat of the pending bill, will cast discredit upon the entire system of internal waterways improvement in the United States.

THE COLUMBIA AND SNAKE RIVER WATERWAYS ASSN.,
WALLACE R. STRUBLE, *Secretary.*

Mr. SMITH of Georgia. I have received two short telegrams, which I ask may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

JACKSON, GA., *September 18, 1914.*

Hon. HOKE SMITH,
Washington, D. C.:

If our southern representatives will take the initiative and pass a law cutting 1915 cotton crop 50 per cent, the price of cotton will immediately advance to 12½ cents per pound.

S. O. HAM.